

**ADMINISTRATIVE/EXECUTIVE GROUP  
SUMMARY**

	<b>Page #</b>	<b>Appropriation</b>	<b>Departmental Revenue</b>	<b>Local Cost</b>
<b><u>GENERAL FUND</u></b>				
BOARD OF SUPERVISORS SUMMARY	3			
BOARD OF SUPERVISORS	4	6,607,236	-	6,607,236
LEGISLATION	6	894,675	-	894,675
CLERK OF THE BOARD	8	1,473,105	135,287	1,337,818
COUNTY ADMINISTRATIVE OFFICE SUMMARY	12			
COUNTY ADMINISTRATIVE OFFICE	13	4,888,487	-	4,888,487
FRANCHISE ADMINISTRATION	16	304,387	-	304,387
LITIGATION	18	388,681	-	388,681
JOINT POWERS LEASES	20	20,612,356	-	20,612,356
HEALTH ADMINISTRATION	23	159,460,336	144,460,336	15,000,000
COUNTY COUNSEL	39	9,431,186	4,454,209	4,976,977
HUMAN RESOURCES SUMMARY	43			
HUMAN RESOURCES	44	7,184,690	373,794	6,810,896
THE CENTER FOR EMPLOYEE HEALTH & WELLNESS	47	1,048,542	732,542	316,000
UNEMPLOYMENT INSURANCE	50	4,000,500	-	4,000,500
INFORMATION SERVICES SUMMARY	58			
APPLICATION DEVELOPMENT	59	16,522,875	4,693,984	11,828,891
PURCHASING SUMMARY	73			
PURCHASING	74	1,302,167	50,000	1,252,167
BEHAVIORAL HEALTH SUMMARY	102			
BEHAVIORAL HEALTH	103	178,518,273	176,675,520	1,842,753
ALCOHOL AND DRUG SERVICES	107	22,108,176	21,958,718	149,458
PUBLIC HEALTH SUMMARY	120			
PUBLIC HEALTH	121	86,269,539	81,902,587	4,366,952
CALIFORNIA CHILDREN'S SERVICES	128	19,246,486	15,262,299	3,984,187
INDIGENT AMBULANCE	132	472,501	-	472,501
LOCAL AGENCY FORMATION COMMISSION	142	338,215	-	338,215
COUNTY SCHOOLS	144	4,308,605	-	4,308,605
TOTAL GENERAL FUND		545,381,018	450,699,276	94,681,742



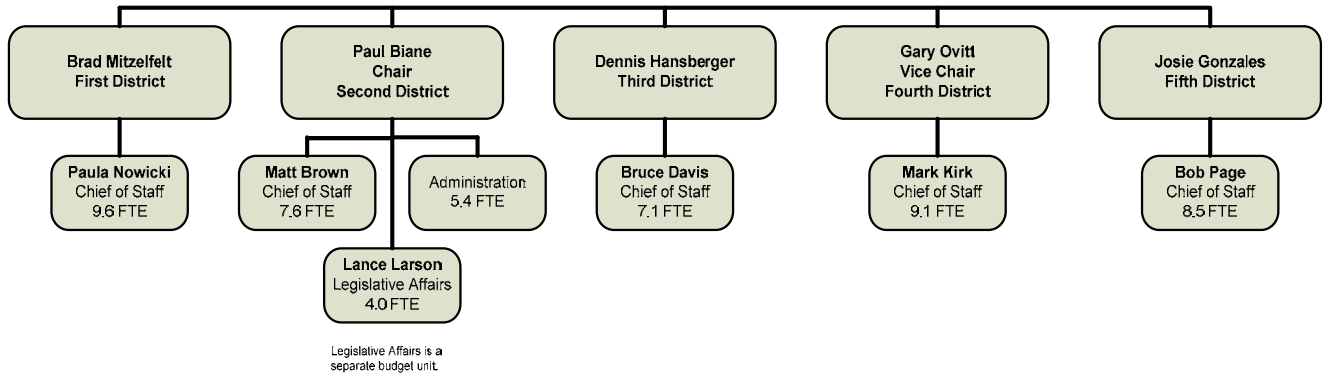
**ADMINISTRATIVE/EXECUTIVE GROUP  
SUMMARY**

	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Fund Balance</u>
<b><u>SPECIAL REVENUE FUNDS</u></b>				
COUNTY ADMINISTRATIVE OFFICE:				
AMBULANCE PERFORMANCE BASED FINES	27	268,589	131,000	137,589
PEDIATRIC TRAUMA	29	424,941	322,569	102,372
HOSPITAL PREPAREDNESS	31	383,243	288,803	94,440
MASTER SETTLEMENT AGREEMENT	35	26,585,327	18,500,000	8,085,327
FEDERAL FOREST RESERVE	37	-	-	-
HUMAN RESOURCES:				
COMMUTER SERVICES	52	889,117	505,000	384,117
EMPLOYEE BENEFITS & SERVICES	55	4,009,530	2,576,307	1,433,223
ARROWHEAD REGIONAL MEDICAL CENTER:				
TOBACCO TAX FUNDS	98	2,052,057	1,717,828	334,229
ARCHSTONE FOUNDATION GRANT	100	42,012	10,802	31,210
BEHAVIORAL HEALTH:				
MENTAL HEALTH SERVICES ACT	110	40,314,277	20,624,815	19,689,462
DRIVING UNDER THE INFLUENCE PROGRAMS	112	310,394	122,000	188,394
BLOCK GRANT CARRYOVER PROGRAM	114	3,774,810	1,384,560	2,390,250
COURT ALCOHOL AND DRUG PROGRAM	116	1,072,843	391,000	681,843
PROPOSITION 36	118	6,360,846	6,207,773	153,073
PUBLIC HEALTH:				
BIO-TERRORISM PREPAREDNESS	134	3,996,068	3,338,135	657,933
TOBACCO USE REDUCTION NOW	136	404,454	404,454	-
VITAL STATISTICS STATE FEES	138	590,211	169,250	420,961
VECTOR CONTROL ASSESSMENTS	140	3,690,915	1,851,151	1,839,764
TOTAL SPECIAL REVENUE FUNDS		<u>94,092,861</u>	<u>57,803,075</u>	<u>36,289,786</u>
 <b><u>INTERNAL SERVICES FUNDS</u></b>				
	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Revenue Over (Under) Exp</u>
INFORMATION SERVICES:				
COMPUTER OPERATIONS	62	19,887,425	20,925,442	1,038,017
NETWORK SERVICES	66	23,844,283	24,300,991	456,708
800 MHZ REBANDING	70	25,000	25,000	-
PURCHASING:				
PRINTING SERVICES	77	3,665,519	3,708,849	43,330
SURPLUS PROPERTY AND STORAGE OPERATIONS	80	4,645,121	4,706,000	60,879
MAIL/COURIER SERVICES	82	7,067,755	7,093,188	25,433
RISK MANAGEMENT SUMMARY	85			
OPERATIONS	86	7,082,321	7,082,321	-
INSURANCE PROGRAMS	89	70,334,073	106,326,183	35,992,110
TOTAL INTERNAL SERVICE FUNDS		<u>136,551,497</u>	<u>174,167,974</u>	<u>37,616,477</u>
 <b><u>ENTERPRISE FUNDS</u></b>				
	<u>Page #</u>	<u>Appropriation</u>	<u>Departmental Revenue</u>	<u>Revenue Over (Under) Exp</u>
COUNTY ADMINISTRATIVE OFFICE:				
MEDICAL CENTER LEASE PAYMENTS	33	53,408,963	53,008,963	(400,000)
ARROWHEAD REGIONAL MEDICAL CENTER SUMMARY	92			
ARROWHEAD REGIONAL MEDICAL CENTER	93	364,137,592	361,614,538	(2,523,054)
TOTAL ENTERPRISE FUNDS		<u>417,546,555</u>	<u>414,623,501</u>	<u>(2,923,054)</u>



## BOARD OF SUPERVISORS Paul Biane, Chairman

### ORGANIZATIONAL CHART



### SUMMARY OF BUDGET UNITS

	2007-08			
	Appropriation	Revenue	Local Cost	Staffing
Board of Supervisors	6,607,236	-	6,607,236	57.3
Legislation	894,675	-	894,675	5.0
<b>TOTAL</b>	<b>7,501,911</b>	<b>-</b>	<b>7,501,911</b>	<b>62.3</b>

Detailed information for each budget unit follows, along with a description of the services provided and budget unit history.

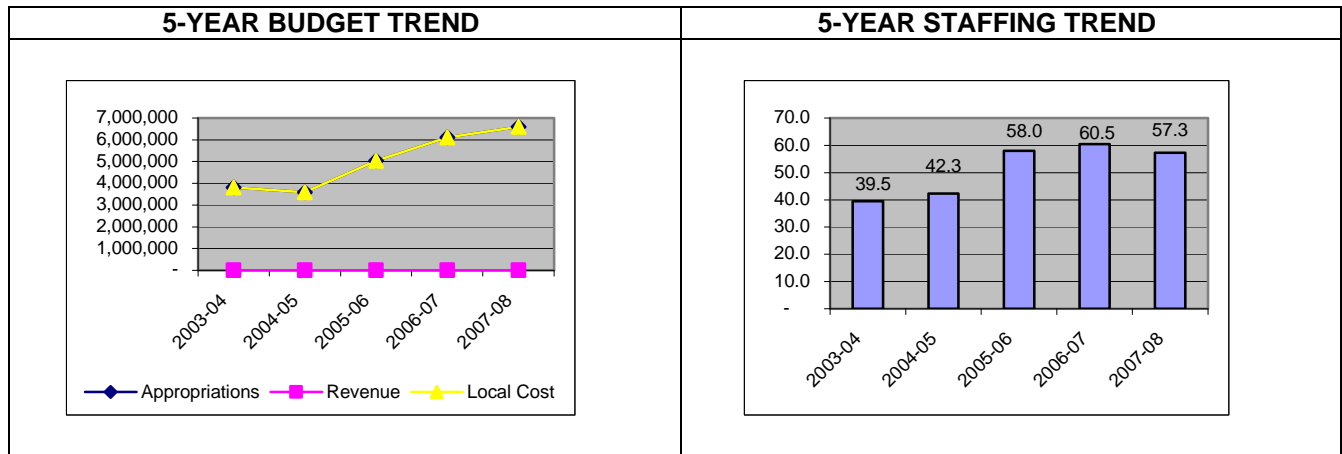


## Board of Supervisors

### DESCRIPTION OF MAJOR SERVICES

The Board of Supervisors is the governing body of the county government and Board-governed special districts. It establishes policy and exercises supervision over the official conduct of all county officers, Board-governed districts and special commissions. The Board approves and adopts the annual budget and initiates and makes recommendations regarding proposed legislation at state and federal levels.

### BUDGET HISTORY

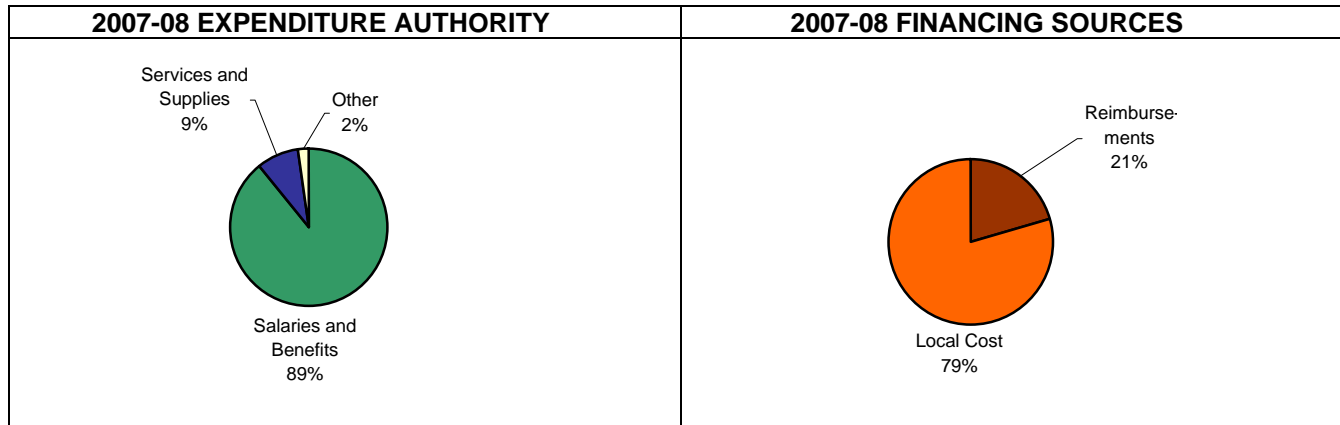


### PERFORMANCE HISTORY

	Actual 2003-04	Actual 2004-05	Actual 2005-06	Modified Budget 2006-07	Estimate 2006-07
Appropriation	3,706,732	3,609,024	5,913,542	6,107,437	6,107,437
Departmental Revenue	-	-	-	-	-
Local Cost	3,706,732	3,609,024	5,913,542	6,107,437	6,107,437
Budgeted Staffing				60.5	



## ANALYSIS OF FINAL BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Board of Supervisors  
FUND: General

BUDGET UNIT: AAA BDF  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	3,781,716	4,157,353	5,789,958	6,587,504	6,937,326	7,422,912	485,586
Services and Supplies	545,197	534,057	502,910	567,093	508,025	646,663	138,638
Central Computer	22,719	34,201	43,159	65,006	65,006	69,699	4,693
Transfers	55,962	47,434	63,816	104,785	67,731	188,385	120,654
Total Exp Authority	4,405,594	4,773,045	6,399,843	7,324,388	7,578,088	8,327,659	749,571
Reimbursements	(698,862)	(1,164,021)	(486,301)	(1,216,951)	(1,470,651)	(1,720,423)	(249,772)
Total Appropriation	3,706,732	3,609,024	5,913,542	6,107,437	6,107,437	6,607,236	499,799
Local Cost	3,706,732	3,609,024	5,913,542	6,107,437	6,107,437	6,607,236	499,799
Budgeted Staffing					60.5	57.3	(3.2)

Salaries and benefits of \$7,422,912 fund 57.3 positions, a decrease of 3.2 positions from last year. The \$485,586 increase represents costs associated with Measure P (which was approved by the voters on November 7, 2006), MOU and retirement rate adjustments. This budget unit decreased by 3.2 budgeted positions as a result of staffing changes made by the various districts.

Services and supplies of \$646,663 include phones services, electrical equipment maintenance, hardware computer expenses, special department expense, property insurance, office expense, presort and packaging, courier and printing, general maintenance-structure, improvement and grounds, vehicle charges and travel expenses. The increase of \$138,638 is primarily from increased costs in phone services, special department expense, property insurance, postage, and printing services.

Transfers of \$188,385 include continued contributions toward employee relations, Employee Health and Productivity program, Information Services Department (ISD) for computer analyst support, maintenance service, custodial services and rents. The increase of \$120,654 will be used primarily for ISD direct labor support, and custodial and maintenance services (Facilities Management).

Reimbursements of \$1,720,423 represent reimbursements from other government center departments and priority policy needs. The increase of \$249,772 primarily results from priority policy needs usage and for shared system analyst support (ISD).

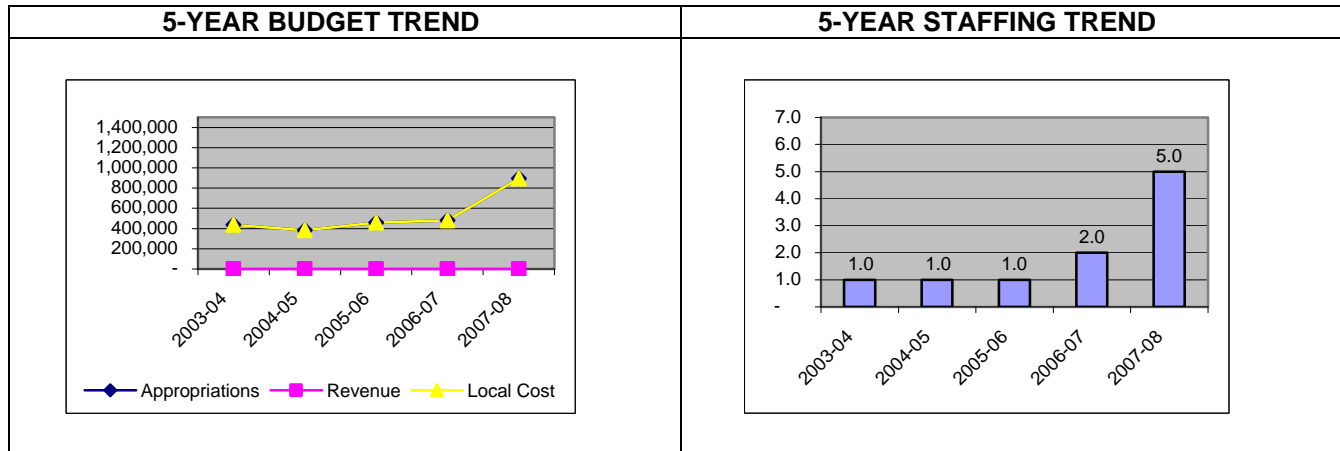


## Legislation

### DESCRIPTION OF MAJOR SERVICES

This program provides federal and state advocacy services to the County of San Bernardino. On February 5, 2002, the Board of Supervisors approved an administrative report that recommended numerous enhancements to San Bernardino County's legislative program. Through the continued restructuring of federal and state advocacy offices, two advocates currently represent the County. The creation of this budget unit was approved by the Board of Supervisors on December 17, 2002 and was established to consolidate expenses associated with state and federal advocacy efforts.

### BUDGET HISTORY



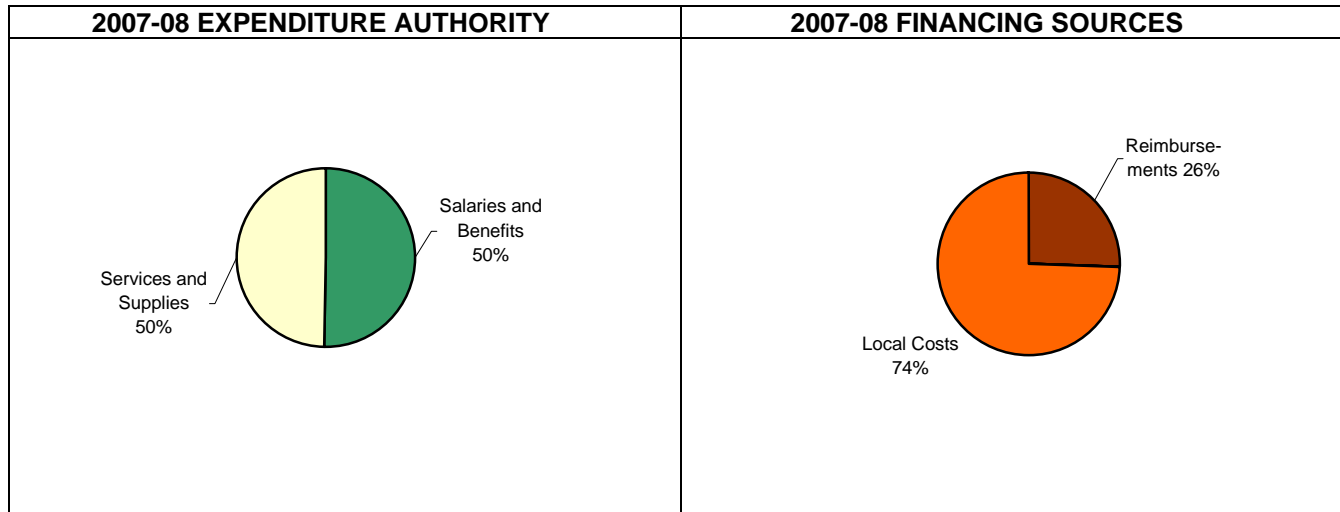
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	436,519	382,833	410,237	480,950	480,950
Departmental Revenue	-	-	-	-	-
Local Cost	436,519	382,833	410,237	480,950	480,950
Budgeted Staffing				2.0	

In 2004-05, appropriation was lower than the trend due to the mid-year vacancy of the Director of Legislative Affairs.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Legislation  
 FUND: General

BUDGET UNIT: AAA LEG  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	122,396	76,969	173,320	260,966	260,966	604,728	343,762
Services and Supplies	511,123	505,674	436,714	526,832	526,832	597,357	70,525
Central Computer	-	-	-	895	895	63	(832)
Transfers	3,000	190	203	257	257	527	270
Total Exp Authority	636,519	582,833	610,237	788,950	788,950	1,202,675	413,725
Reimbursements	(200,000)	(200,000)	(200,000)	(308,000)	(308,000)	(308,000)	-
Total Appropriation	436,519	382,833	410,237	480,950	480,950	894,675	413,725
Local Cost	436,519	382,833	410,237	480,950	480,950	894,675	413,725
Budgeted Staffing					2.0	5.0	3.0

Salaries and benefits of \$604,728 fund 5.0 positions and are increasing by \$343,762 primarily due to the addition of 3.0 positions deemed necessary to enhance the effectiveness of the department. It is anticipated that the enhancement will require 1.0 Legislative Program Manager and 2.0 Legislative Analysts.

Services and supplies of \$597,357 represent an increase of \$70,525 over the 2006-07 budget and is primarily a result of increases in costs associated with general office expenses to accommodate the 3 new positions, state and federal advocacy services, memberships, publications, subscriptions, and other office supply charges associated with the management of the county's advocacy services.

Reimbursements of \$308,000 is from Health Administration \$108,000, Solid Waste Management \$60,000, Transportation \$70,000, and Flood Control \$70,000 due to the Legislative advocacy services direct impact on the contributors.



## CLERK OF THE BOARD

### Dena M. Smith

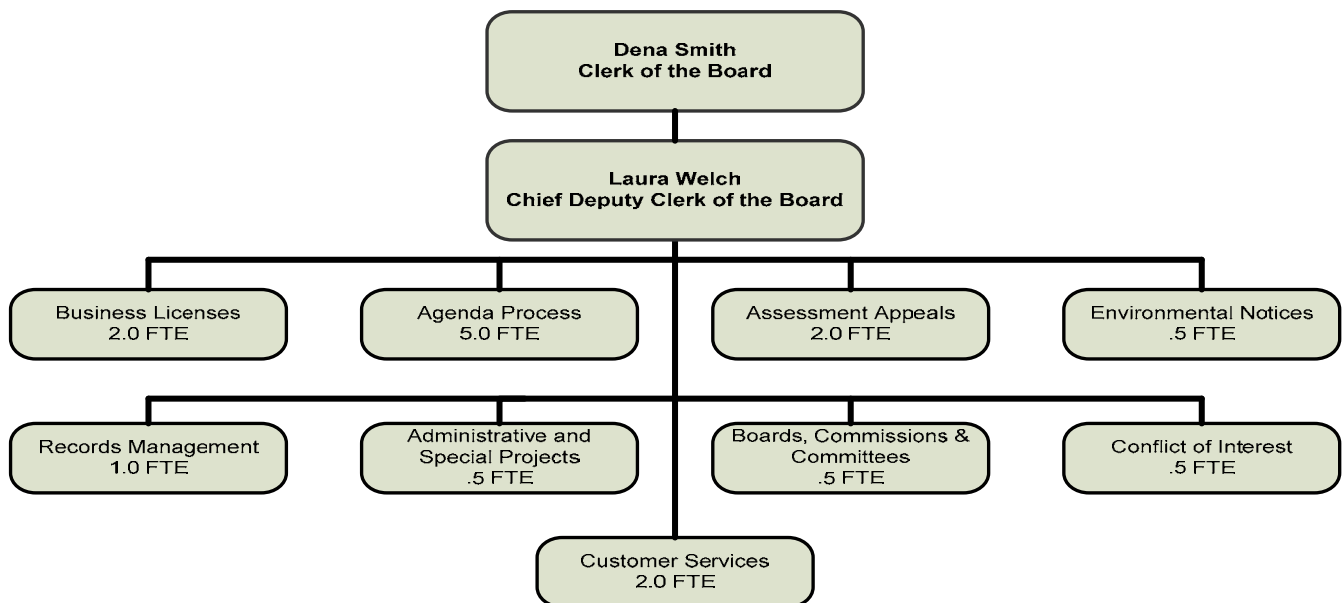
#### MISSION STATEMENT

In support of the County Board of Supervisors, and in service to the public and fellow County staff, the Clerk of the Board of Supervisors: prepares and maintains records of actions taken by the Board of Supervisors; oversees membership of the County's boards, commissions and committees; licenses businesses operating in the County unincorporated areas; and facilitates the filing and hearing of appeals of assessed property valuations. Our service priorities are timeliness and accuracy. Our services commitments are courtesy and respect.

#### STRATEGIC GOALS

1. Implement Technological improvements to increase operational efficiency and enhance staff and public access to Board of Supervisors agenda and related information.
2. Improve business license processes and procedures to ensure effective high quality public service and compliance with ordinances.

#### ORGANIZATIONAL CHART

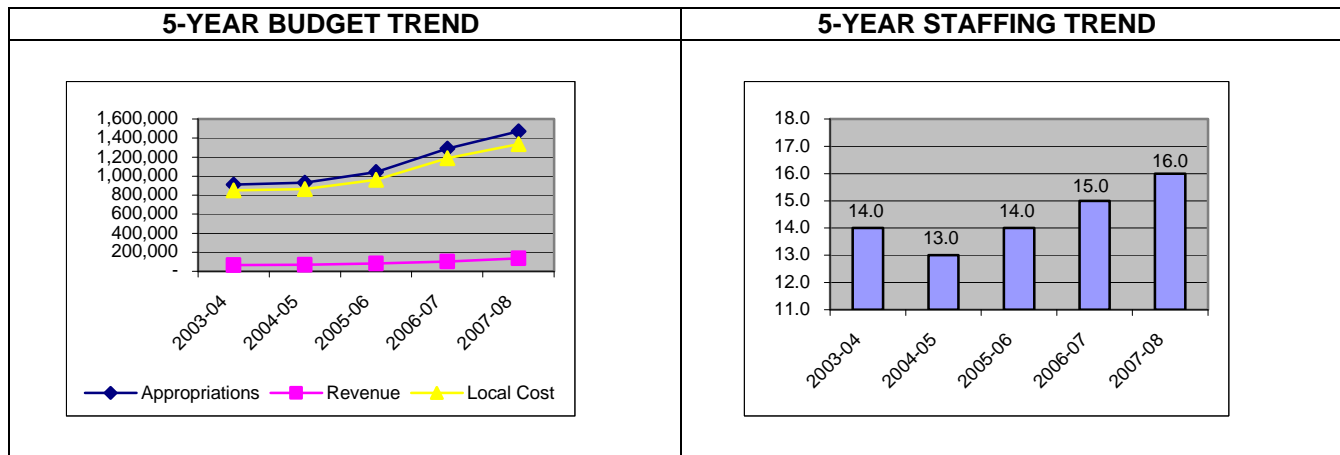




## DESCRIPTION OF MAJOR SERVICES

The primary duties of the Clerk of the Board (COB) include coordinating and preparing agendas and documents for all meetings and hearings of the County Board of Supervisors, County Redevelopment Agency, County Economic and Community Development Corporation, County Industrial Development Authority, and In-Home Supportive Services Public Authority. The COB also manages the database of members for all county advisory boards, commissions and committees (BCCs), including processing appointments, vacancies and reappointments to BCCs. The COB provides staff support for the assessment appeal hearings and serves as the liaison amongst property owners, the County Assessor and the Assessment Appeals Board members. The COB manages the business license process for certain businesses operating in the county unincorporated areas. The COB receives and files environmental (CEQA) notices and posts notices of state/local meetings and hearings, receives summonses, complaints, planning appeals, requests for tax refunds, and responds to requests for information and documents on behalf of the Board of Supervisors and/or the County of San Bernardino.

## BUDGET HISTORY

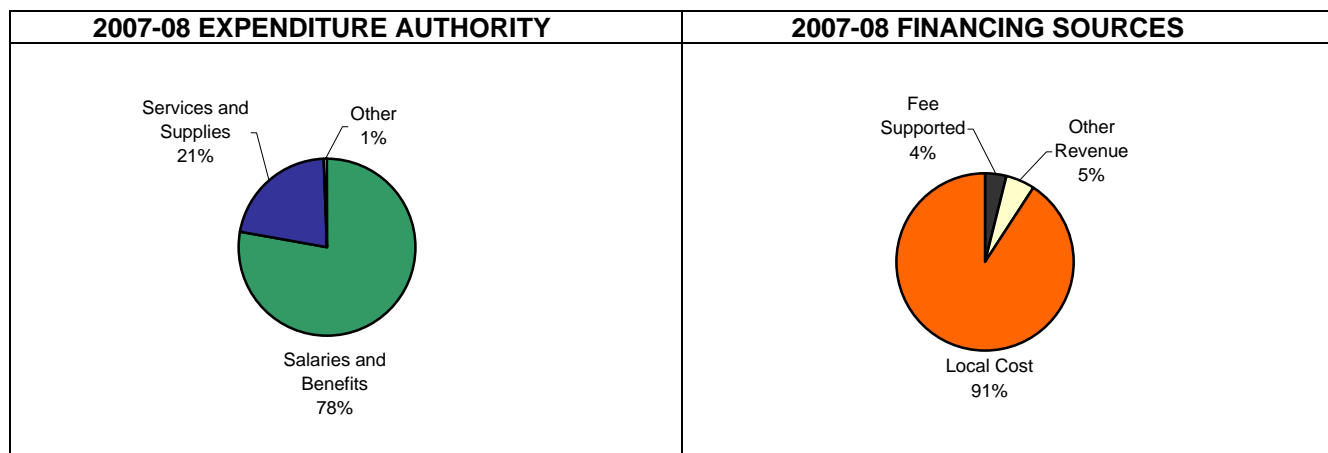


## PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	784,113	836,034	1,668,685	1,370,800	1,354,777
Departmental Revenue	81,529	101,089	106,289	101,209	108,784
Local Cost	702,584	734,945	1,562,396	1,269,591	1,245,993
Budgeted Staffing				15.0	



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Clerk of the Board  
 FUND: General

BUDGET UNIT: AAA CBD  
 FUNCTION: General  
 ACTIVITY: Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	671,317	671,971	1,029,226	1,095,535	1,106,799	1,147,258	40,459
Services and Supplies	97,526	148,275	613,277	214,569	151,937	283,703	131,766
Central Computer	12,670	13,119	14,446	19,458	19,458	31,933	12,475
Equipment	-	-	-	18,700	-	-	-
Transfers	2,600	2,669	11,736	6,515	9,845	10,211	366
Total Appropriation	784,113	836,034	1,668,685	1,354,777	1,288,039	1,473,105	185,066
<b>Departmental Revenue</b>							
Licenses and Permits	41,070	44,715	47,410	46,671	51,999	54,697	2,698
Current Services	5,796	3,934	5,439	6,673	4,000	4,000	-
Other Revenue	34,663	52,440	53,440	55,440	45,210	76,590	31,380
Total Revenue	81,529	101,089	106,289	108,784	101,209	135,287	34,078
Local Cost	702,584	734,945	1,562,396	1,245,993	1,186,830	1,337,818	150,988
Budgeted Staffing					15.0	16.0	1.0

Salaries and benefits of \$1,147,258 fund 16.0 positions and are increasing by \$40,459 due to costs associated with MOU and retirement rate adjustments and the addition of 1.0 Public Service Employee assigned entry level extra help duties assisting with business licenses and assessment appeals.

Services and supplies of \$283,703 include costs for miscellaneous and general office purchases, training and other professional services, and additional expenses for publications, memberships, and travel. The increase of \$131,766 is primarily due to a \$98,470 increase in service contracts, including agreements for streaming multimedia and hosting services providing live and on-demand video access to San Bernardino County meetings and scheduled events, for an online management system for the Recipient Committee Campaign Statement (CA Form 460) and Statement of Economic Interests (CA Form 700) forms, and other costs associated with the ongoing operation of the department.

Estimated departmental revenue of \$135,287 is anticipated to increase by \$34,078. The increase is primarily a result of Board-approved rate adjustments of licenses & permits, other revenues, and from greater estimates of future environmental (CEQA) and business license filings.



PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage reduction of staff time required to process agenda and related transactions.	5%	0%	5%
Percentage of items with "turnaround" time within 10 working days for post-meeting processing/department receipt of completed agenda items.	New	New	75%
Percentage reduction of turnaround time for processing of new and renewal business licenses.	15%	15%	20%
Percentage of business license processes and procedures reviewed.	50%	100%	N/A
Percentage of businesses in unincorporated areas that are licensed.	New	18%	35%

The baseline time required to process agenda items was established in 2006-07. It is expected that technology implementations deployed in 2007-08 will reduce agenda item processing by 5%.



## COUNTY ADMINISTRATIVE OFFICE

### Mark Uffer

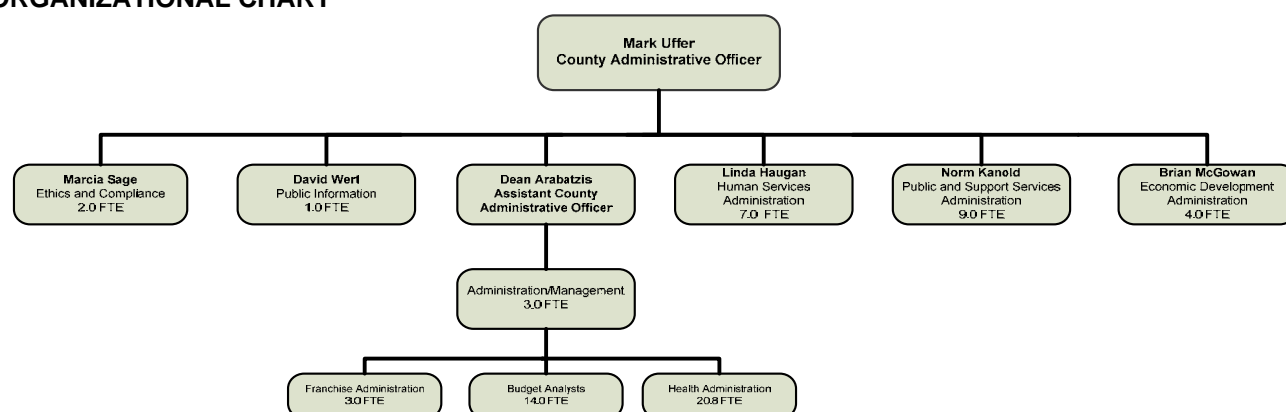
#### MISSION STATEMENT

The mission of the County Administrative Office (CAO) is to maximize constituent services and satisfaction by developing and implementing budgets, policies, and procedures, and by directing and/or coordinating departmental activities according to the County Charter, general laws, and to meet the strategic goals adopted by the Board of Supervisors.

#### STRATEGIC GOALS

1. Facilitate, support, and ensure the implementation of decisions by the Board of Supervisors.
2. Promote the effective and efficient delivery of countywide service through the use of contemporary management tools.
3. Ensure the overall financial health of the County of San Bernardino.
4. Communicate countywide operations in an effective manner.
5. Increase employee awareness of and compliance with the county's ethics program.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

	2007-08				
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<b>General Fund</b>					
County Administrative Office	4,888,487	-	4,888,487		24.0
Franchise Administration	304,387	-	304,387		3.0
Litigation	388,681	-	388,681		-
Joint Powers Leases	20,612,356	-	20,612,356		-
Health Administration	159,460,336	144,460,336	15,000,000		20.8
Public and Support Services Administration*	1,859,387	-	1,859,387		10.0
Human Services Administration**	1,284,957	1,092,213	192,744		8.0
Economic Development ***	667,690	-	667,690		5.0
<b>Total General Fund</b>	<b>189,466,281</b>	<b>145,552,549</b>	<b>43,913,732</b>		<b>70.8</b>
<b>Special Revenue Funds</b>					
Ambulance Performance Based Fines	268,589	131,000		137,589	-
Pediatric Trauma	424,941	322,569		102,372	-
Hospital Preparedness	383,243	288,803		94,440	-
Medical Center Lease Payments	53,408,963	53,008,963	-	400,000	-
Master Settlement Agreement	26,585,327	18,500,000	-	8,085,327	-
<b>Total Special Revenue Funds</b>	<b>81,071,063</b>	<b>72,251,335</b>		<b>334,401</b>	
<b>Total - All Funds</b>	<b>270,537,344</b>	<b>217,803,884</b>	<b>43,913,732</b>	<b>334,401</b>	<b>70.8</b>

\* Detail of this budget is in the Public and Support Services Section.

\*\* These costs are included in the Human Services Administrative Claim budget unit in the Human Services Section.

\*\*\* These costs are included in the Economic Development budget unit in the Economic Development Section.

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history, applicable performance measures and policy items requests.



## County Administrative Office

### DESCRIPTION OF MAJOR SERVICES

The CAO is responsible to the Board of Supervisors for the general administration and coordination of all county operations and programs, together with the preparation and administration of the county budget.

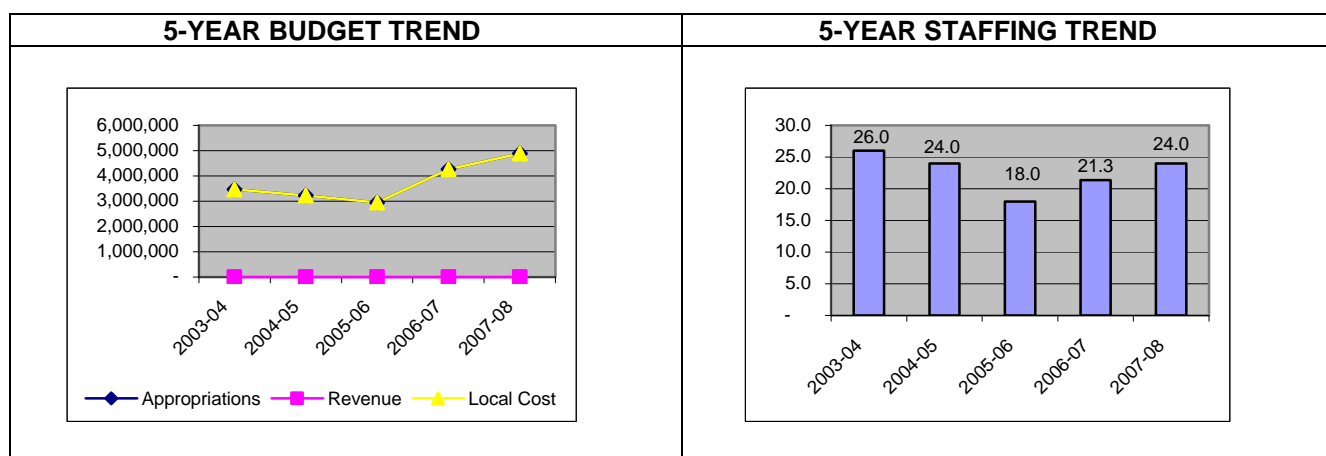
The CAO oversees the operations of county departments whose department heads are appointed by the Board of Supervisors or County Administrative Officer, and assists in the coordination of activities of departments headed by elected officials. Additionally, the CAO oversees the Public and Support Services Administration (PSSG), Human Services Administration, and Economic Development Administration. PSSG departments plan and implement facility and infrastructure development and maintenance programs (roads, flood control, buildings); provide public services in unincorporated communities (planning, fire, special districts, parks, museums); and serve departmental needs (vehicles, space, leasing). Human Services departments are responsible for the county social service programs under applicable mandatory federal and state regulations. These departments are Transitional Assistance, Children's Services, Adult Services, Preschool Services, Child Support Services and Veterans Affairs. Economic Development departments seek to facilitate economic growth within the county through programs that enhance workforce skills, infrastructure, business development and attraction, housing opportunities and community development projects. These departments are Community Development and Housing, Economic Development, the Redevelopment Agency, and Workforce Development.

Within the CAO resides a Health Administration function that provides administrative oversight for the health related departments and seeks to expand and coordinate collaborative opportunities among those departments. Health Administration also coordinates major health financing issues, such as realignment, medical center debt financing, and disproportionate share hospital funding.

The CAO is also responsible for coordinating county activities with other local government entities, including cities and other counties.

Finally, the CAO is responsible for the county's long-term debt functions and capital improvement program.

### BUDGET HISTORY

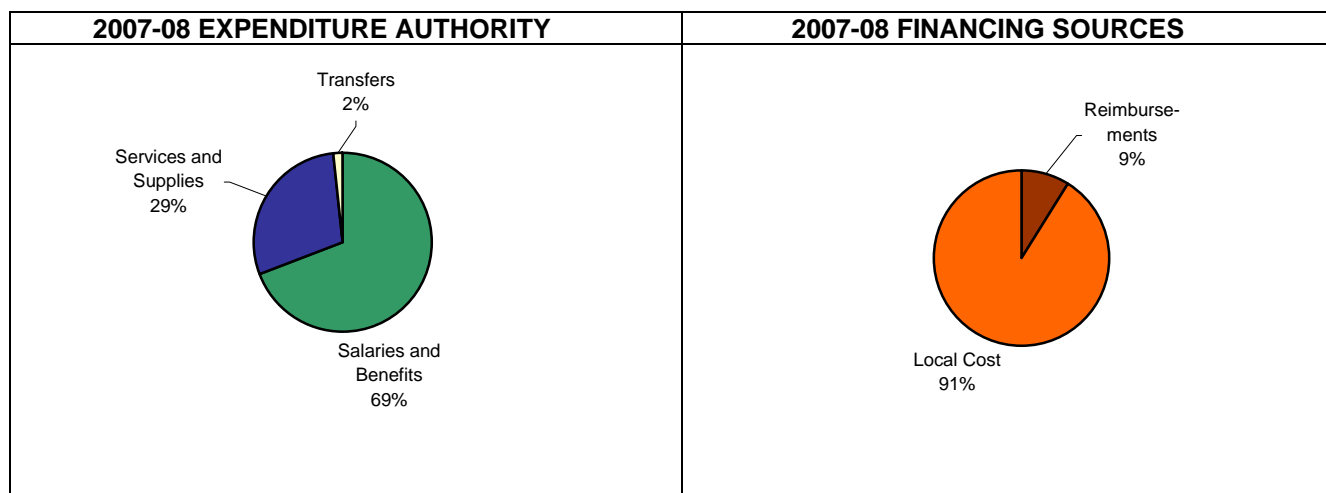


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,909,684	3,155,583	3,902,621	4,265,651	4,265,651
Departmental Revenue	-	-	-	-	-
Local Cost	2,909,684	3,155,583	3,902,621	4,265,651	4,265,651
Budgeted Staffing				24.0	



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** County Administrative Office  
**FUND:** General

**BUDGET UNIT:** AAA CAO  
**FUNCTION:** General  
**ACTIVITY:** Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	2,642,075	2,657,499	2,431,637	3,097,623	3,269,762	3,721,118	451,356
Services and Supplies	319,025	257,582	556,960	663,854	991,903	1,529,664	537,761
Central Computer	25,391	22,372	29,279	26,225	26,225	31,213	4,988
Equipment	-	-	46,346	-	-	-	-
Transfers	4,907	4,958	16,280	17,125	17,125	87,312	70,187
Total Exp Authority	2,991,398	2,942,411	3,080,502	3,804,827	4,305,015	5,369,307	1,064,292
Reimbursements	(81,714)	(87,828)	(22,881)	(110,949)	(39,364)	(480,820)	(441,456)
Total Appropriation	2,909,684	2,854,583	3,057,621	3,693,878	4,265,651	4,888,487	622,836
Operating Transfers Out	-	301,000	845,000	571,773	-	-	-
Total Requirements	2,909,684	3,155,583	3,902,621	4,265,651	4,265,651	4,888,487	622,836
Local Cost	2,909,684	3,155,583	3,902,621	4,265,651	4,265,651	4,888,487	622,836
Budgeted Staffing					21.3	24.0	2.7

Salaries and benefits of \$3,721,118 fund 24.0 positions and are increasing by \$451,356 and 2.7 positions. Cost adjustments reflect various staffing changes, increased workers' compensation charges, MOU and retirement rate adjustments.

Budgeted staffing reflects the following midyear approved additions: 1) 1.0 Ethics and Compliance Specialist to provide support to the county's ethics program, 2) 1.0 Administrative Analyst I, to assist with grant procedures and inventory, and 3) 1.0 Contract Special Projects Coordinator to facilitate the interdepartmental coordination of activities between the county and the County Administrative Office. In addition, 1.0 Executive Secretary III and 1.0 Deputy Administrative Officer were transferred from the Health Administration budget to better reflect their change in responsibilities and duties. These additions were offset by the de-funding of 1.3 Administrative Analyst III positions, of which one position was de-funded when the Administrative Analyst I was added and .3 position was de-funded due to the completion of the court facility transfer assignment. Also, 1.0 Contract Special Projects Coordinator was de-funded when that person was hired as a regular Administrative Analyst. Budgeted staffing reflects a net increase of 2.7 positions.



Services and supplies of \$1,529,664 include software and hardware computer expenses, miscellaneous expenses, training, office supplies, and ISD Direct Labor. The increase of \$537,761 is primarily to finance a Public Awareness Campaign to promote county services and operations to the general population. In addition, this office is expanding the Service First Program that establishes consistent service standards and expectations for all county employees by instituting a recognition and reward program.

Transfers of \$87,312 include continued contributions toward employee relations, Employee Health and Productivity program, Information Services Department (ISD) for computer analyst support, wireless servers, custodial and maintenance service, and advertisement services. The increase of \$70,187 will be used primarily for two wireless infrastructure servers (ISD), custodial and maintenance services (Facilities Management), and advertisement services (Human Resource).

Reimbursements of \$480,820 represent reimbursements from other budget units. The significant increase of \$441,456 primarily results from the Health Administration budget unit for 2.0 positions who administer support to all the Health Departments. In addition, reimbursements from Facilities Management will be received for 1.0 position that supports the interdepartmental coordination of activities between the county and the County Administrative Office.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of departments implementing the performance measurement system.	100%	100%	100%
Percentage increase of ongoing set asides.	10%	98%	10%
Percentage of County department websites offering e-mail subscription services through GovDelivery, Inc.	NEW	65%	100%
Percentage of county budget groups currently participating in ethics and compliance training.	NEW	9%	100%
Percentage of county employees receiving ethics and compliance materials.	NEW	0%	100%
Percentage of county-owned and leased buildings with electronic format (AutoCAD) floor plan drawings. (The county had 9.7 million square feet of owned and leased facilities).	35%	30%	40%
Percentage of targeted audiences reporting awareness of county services and operations, including how to access county services.	NEW	NEW	65%

POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost	Proposed 2007-08 Performance Measurement
1	Enhance Grant Program Add 1.0 Grant Writer to the grant program to work with departments to identify priority programs and identify funding streams to support these programs. In addition, this position is also responsible for community outreach to build collaborative efforts favorable to the county and county grant submissions. Ongoing additional funding requested: \$100,000 for salary and benefits and \$200,000 in one-time funding for local matching funds for grant submissions and to hire contract grant writers as needed.	1.0	300,000	-	300,000	
	<i>Increase the competitive grant funding received by the county or nonprofits in collaboration or associated with the county.</i>					\$1.5 million
	<b>Total</b>	<u>1.0</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>	



## Franchise Administration

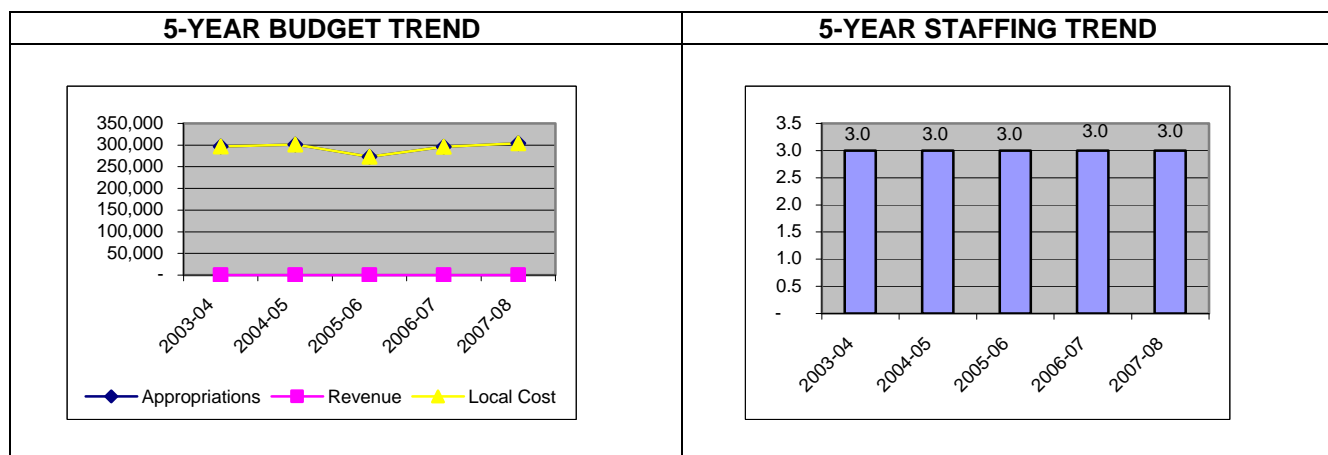
### DESCRIPTION OF MAJOR SERVICES

The function of Franchise Administration is to monitor utility, cable, telecommunication, and interstate pipeline franchises, as well as the use of other public property. Franchise Administration is also responsible for ensuring submission of the appropriate documents from franchisees including reports, proof of insurance, bonding and payment of franchise fees. Other duties include monitoring customer service compliance for cable television service providers and research designed to identify other entities utilizing public rights-of-way.

Additionally, Franchise Administration has represented the county and its constituents at the California Public Utilities Commission on issues regarding utility requests for rate increases and investigations of utilities over-charging their customers.

Franchise Administration collects a substantial amount of annual franchise fee revenue on behalf of the county, and the fees are generally based upon a percentage of utility, cable, telecommunications, and interstate pipeline company gross revenues. These revenues are not directly incorporated within the division's budget, as the fees are accounted for separately within another fund.

### BUDGET HISTORY



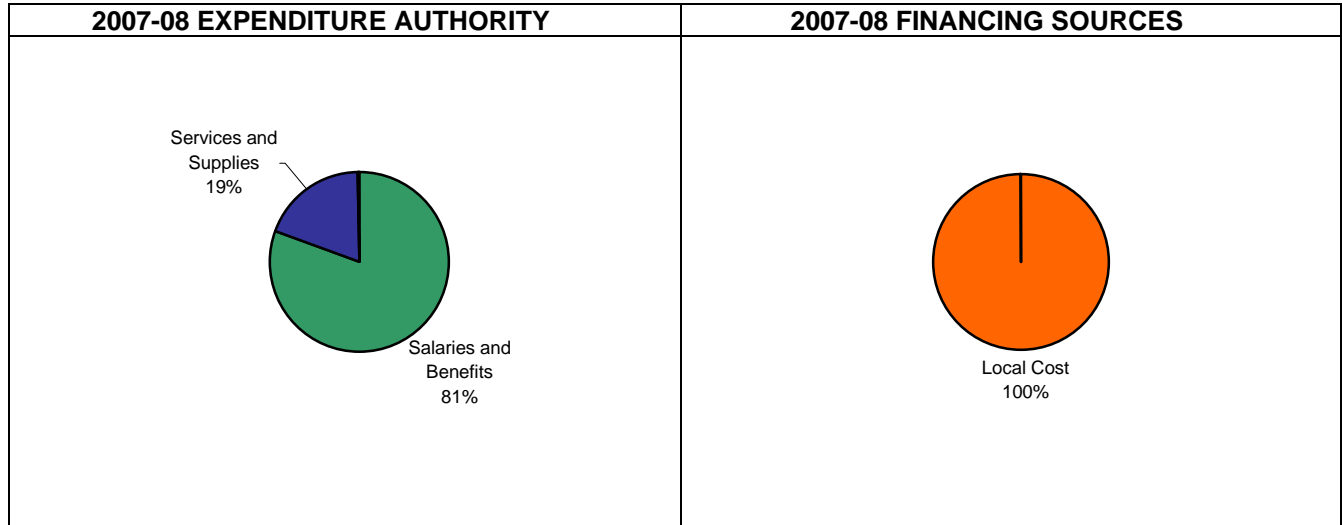
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	297,184	301,577	201,689	295,845	224,074
Departmental Revenue	-	-	-	-	-
Local Cost	297,184	301,577	201,689	295,845	224,074





## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** County Administrative Office  
**FUND:** General

**BUDGET UNIT:** AAA FRN  
**FUNCTION:** General  
**ACTIVITY:** Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	207,981	223,397	180,592	190,758	239,313	245,265	5,952
Services and Supplies	38,445	26,320	20,303	32,358	55,574	56,386	812
Central Computer	1,463	1,993	187	189	189	1,944	1,755
Transfers	49,295	49,867	607	769	769	792	23
Total Appropriation	297,184	301,577	201,689	224,074	295,845	304,387	8,542
Local Cost	297,184	301,577	201,689	224,074	295,845	304,387	8,542
Budgeted Staffing					3.0	3.0	-

Salaries and benefits of \$245,265 fund 3.0 positions and are slightly increasing by \$5,952 resulting from MOU and retirement rate adjustments.

Services and supplies of \$56,386 include memberships, legal notices, noninventoriable equipment, training, office supplies and other professional services. The slight increase of \$812 is due to inflationary services and supplies costs.

Transfers of \$792 and the slight increase of \$23 relate to the continued contributions toward employee relations and the Employee Health and Productivity program.



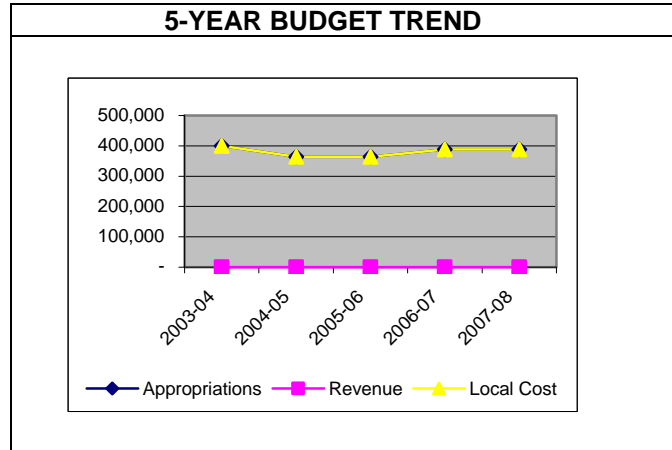
## Litigation

### DESCRIPTION OF MAJOR SERVICES

The litigation budget funds external attorney services and other litigation related expenses. The Board approved the establishment of this budget unit in 2001-02. The use of general fund contingencies may be required for any new major contracts, or for any material amendments to existing legal contracts during the fiscal year.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

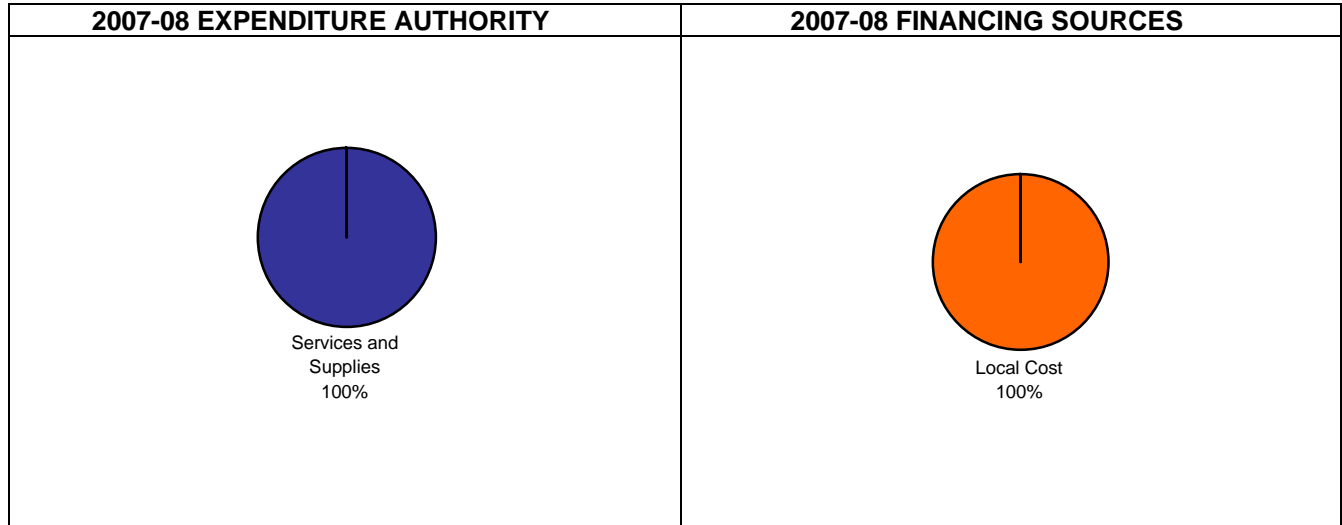


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	232,252	630,025	438,320	388,681	162,103
Departmental Revenue	-	500,000	200,000	-	-
Local Cost	232,252	130,025	238,320	388,681	162,103

During 2004-05 and 2005-06, the Board approved the use of \$500,000 and \$200,000, respectively, of Restitution Reserves to fund the cost of the corruption litigation.

## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Litigation  
FUND: General

BUDGET UNIT: AAA LIT  
FUNCTION: General  
ACTIVITY: Legislative and Administrative

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	232,252	630,025	438,320	162,103	388,681	388,681	-
Total Appropriation	232,252	630,025	438,320	162,103	388,681	388,681	-
<b>Departmental Revenue</b>							
Operating Transfers In	-	500,000	200,000	-	-	-	-
Total Financing Sources	-	500,000	200,000	-	-	-	-
Local Cost	232,252	130,025	238,320	162,103	388,681	388,681	-

There is no change in 2007-08 to this budget unit from the prior fiscal year.



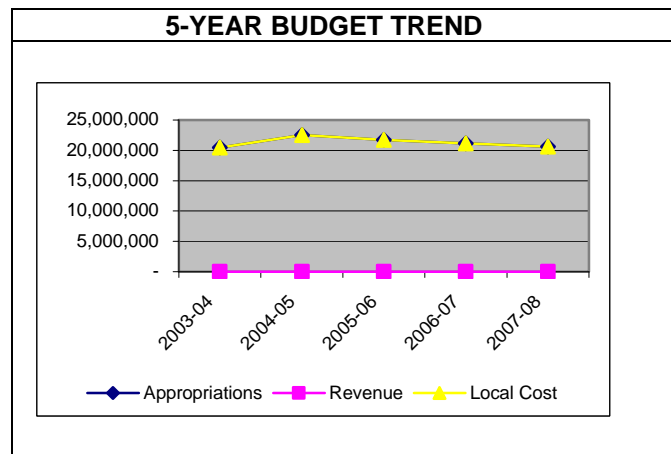
## Joint Powers Leases

### DESCRIPTION OF MAJOR SERVICES

This component funds the cost of long-term capital lease payments for the major county assets financed by the general fund.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	18,353,792	21,382,011	20,987,980	21,137,293	20,367,316
Departmental Revenue	-	3,342	3,505	-	-
Local Cost	18,353,792	21,378,669	20,984,475	21,137,293	20,367,316

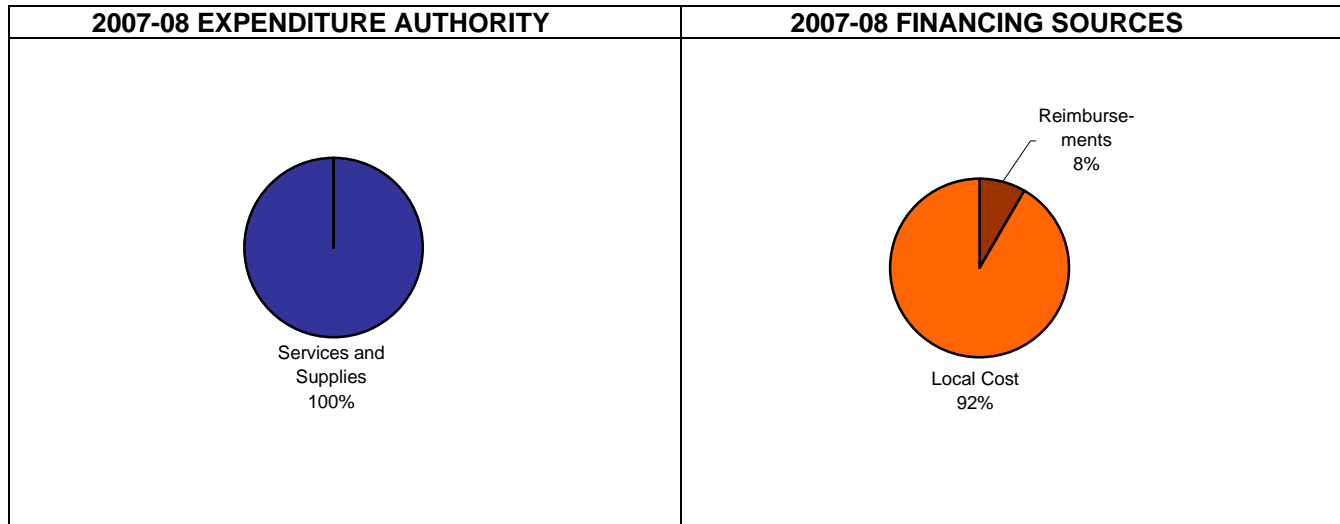
Actuals for 2003-04 are significantly lower than the other years shown since 2003-04 is the only year (of those displayed above) that the county did not use any allocation of prior year fund balance to prepay principal on outstanding Certificates of Participation, relating to long-term capital leases, paid from the general fund. This was due to state budget restrictions.

Fund balance allocations used to prepay Certificates of Participation:

- 2003-04        None
- 2004-05        \$1.8 million
- 2005-06        \$1.0 million
- 2006-07        \$0.3 million (budgeted)



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Joint Powers Leases  
FUND: General

BUDGET UNIT: AAA JPL  
FUNCTION: General  
ACTIVITY: Property Management

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	16,224,040	22,905,636	22,572,197	21,975,626	22,864,661	22,493,041	(371,620)
Total Exp Authority	16,224,040	22,905,636	22,572,197	21,975,626	22,864,661	22,493,041	(371,620)
Reimbursements	(2,271,995)	(1,523,625)	(1,584,217)	(1,608,310)	(1,727,368)	(1,880,685)	(153,317)
Total Appropriation	13,952,045	21,382,011	20,987,980	20,367,316	21,137,293	20,612,356	(524,937)
Operating Transfers Out	4,401,747	-	-	-	-	-	-
Total Requirements	18,353,792	21,382,011	20,987,980	20,367,316	21,137,293	20,612,356	(524,937)
<b>Departmental Revenue</b>							
Other Revenue	-	3,342	3,505	-	-	-	-
Total Revenue	-	3,342	3,505	-	-	-	-
Local Cost	18,353,792	21,378,669	20,984,475	20,367,316	21,137,293	20,612,356	(524,937)

Services and supplies of \$22,493,041 represent lease payments and debt administration costs for the major county assets financed by the general fund. In 2007-08, services and supplies is reduced by \$371,620. Of this reduction, \$300,000 is associated with the 2006-07 allocation used for principal reduction of existing Certificates of Participation. The remaining \$71,620 reflects an overall reduction in debt service and debt administration costs.

Reimbursements of \$1,880,685 include \$1,327,935 to fund the lease payments and administration costs of the Hyundai Pavilion at Glen Helen. This reimbursement is funded from revenues associated with the operation of the pavilion. Reimbursements also include amounts associated with the 1997 Public Improvement financing in the amounts of \$470,000 from the utilities budget, representing savings from the ENVEST project, and \$82,750 from Preschool Services representing the portion of the lease payment used to fund a portion of the preschool building in Ontario. The decrease, beginning in 2004-05, is due to the elimination of reimbursement from Airports for a share of debt service due on the Justice Center/Chino Airport Improvement Project. This reimbursement previously averaged \$855,000 per year.



In August 2006, the Board adopted an amendment to the formal Budget Financing Policy. This amendment automatically reappropriates the portion of final fund balance associated with variable rate savings (budget vs. actual) to reduce the principal of outstanding long term debt in the next fiscal year. It is estimated that the savings calculated pursuant to this policy will be approximately \$650,000 at the end of 2006-07.

Lease Payments included in this budget unit for 2007-08 are:

Hyundai Pavilion at Glen Helen	1,282,796
Justice Center/Chino Airport Improvements	6,169,336
1997 Public Improvement Financing (ENVEST, West End Juvenile Facility, Preschool Building)	1,330,512
County Government Center	3,301,760
West Valley Detention Center	9,813,063
Subtotal:	<u>21,897,467</u>
Debt Administration (Trustee Fees, Letter of Credit Fees, Remarketing Fees, Auction Agent Fees, Broker-Dealer Fees, Audit and Arbitrage)	595,574
Reimbursements	(1,880,685)
Subtotal:	<u>(1,285,111)</u>
Total:	<u><u>20,612,356</u></u>



## Health Administration

### MISSION STATEMENT

To develop and coordinate budgets, policies, and procedures for the county's health care departments in accordance with the strategic goals adopted by the Board of Supervisors, the County Charter, and general laws.

### DESCRIPTION OF MAJOR SERVICES

The role of the Health Administration Division is to seek and support opportunities to foster collaboration among the Department of Public Health (DPH), Department of Behavioral Health (DBH), and the Arrowhead Regional Medical Center (ARMC). The division provides regular fiscal and policy analysis relating to the operations of these departments. Additionally, this division manages the \$159.5 million Health Administration budget, which includes funding for ARMC debt service, health related maintenance of effort costs, and transfers required to obtain federal health care funding. Furthermore, on February 6, 2007, the Board of Supervisors approved the separation of the Inland Counties Emergency Medical Agency (ICEMA) from the Public Health budget unit, to be included as a separate organization within the Health Administration Division.

Health care related transactions represented by this budget unit included the Disproportionate Share Hospital (DSH) Supplemental Payments, Realignment AB 8 match, the county's contribution for ARMC debt service payments. In addition, all operational transactions related to ICEMA are reflected within this budget unit for 2007-08.

#### **Disproportionate Share Hospital Programs**

In 1982, California established DSH programs to provide supplemental Medi-Cal payments to hospitals that provide services to disproportionate numbers of Medi-Cal and other low-income patients. The DSH program comprises two elements:

- The SB 855 program that provides supplemental payments to hospitals serving a disproportionate number of low-income individuals.
- The SB 1255 program that supplements eligible hospitals that are licensed to provide emergency medical services and contract with the California Medical Assistance Commission (CMAC) to serve Medi-Cal patients under the Selective Provider Contracting Program.

#### **Realignment and General Fund Support**

General fund support and realignment funds are used to pay for the ARMC debt service lease payments, Realignment AB 8 match and administrative costs related to this budget unit. To qualify for receipt of Health Realignment funding from the state, the county must contribute a "match" of local funds. The county's match for 2007-08 is \$4.3 million, which is based on a formula established through AB 8 in 1979. This amount has remained constant throughout the years.

Realignment funds support this budget as follows:

- Mental Health at 3.5% (which covers half of administrative costs).
- Health at 96.5% (which covers half of administrative costs plus debt service payments).

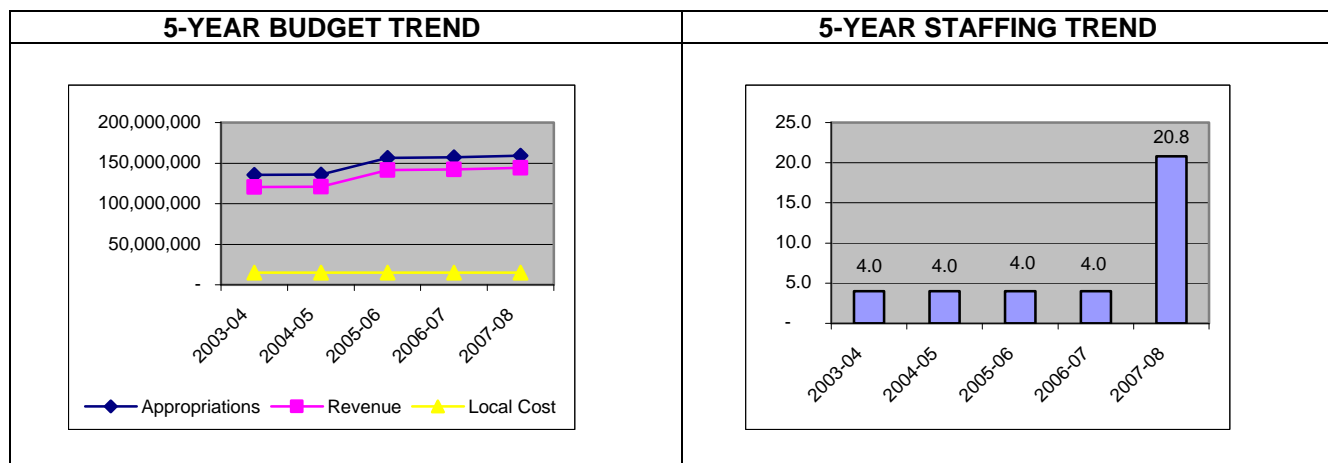
#### **Inland Counties Emergency Medical Agency**

On February 6, 2007, the Board of Supervisors approved the separation of the Inland Counties Emergency Medical Agency (ICEMA) from the Public Health budget unit, to be included as a separate organization within the Health Administration Division and administered directly by the County Administrative Office.

ICEMA is responsible for ensuring effective emergency medical services for San Bernardino, Inyo and Mono Counties. Specifically, they are charged with the coordination, evaluation and monitoring of emergency medical services within public and private pre-hospital providers, specialty hospitals, paramedic base hospitals, as well as the effectiveness of Emergency Medical Services (EMS) educational programs and medical disaster preparedness.



## BUDGET HISTORY



## PERFORMANCE HISTORY

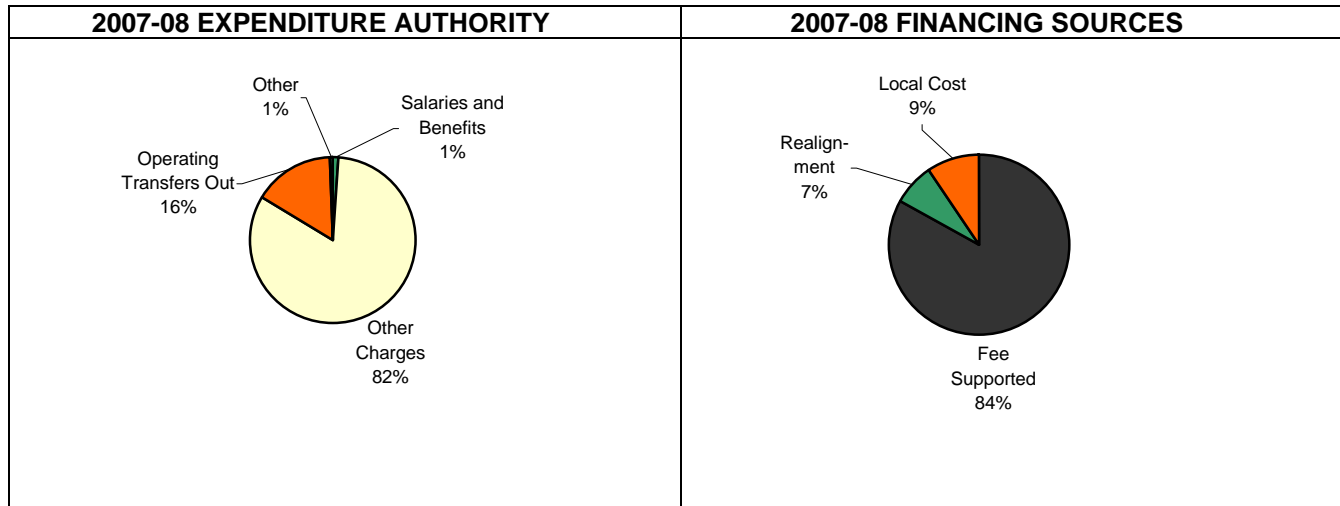
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	135,996,594	150,200,966	53,624,875	157,188,824	54,684,664
Departmental Revenue	120,996,594	135,200,966	38,732,875	142,188,824	39,684,664
Local Cost	15,000,000	15,000,000	14,892,000	15,000,000	15,000,000
Budgeted Staffing				4.0	

Estimated appropriation is less than modified budget due to savings in service and supplies. Estimated revenue is less than modified budget as the budget unit will not utilize all of its budgeted Realignment revenue in 2006-07.





## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Health Administration  
FUND: General

BUDGET UNIT: AAA HCC  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	316,697	121,092	489,206	535,299	532,200	1,782,617	1,250,417
Services and Supplies	68,210	30,265	92,390	150,449	66,490	718,293	651,803
Central Computer	-	710	2,673	4,602	4,604	23,071	18,467
Other Charges	110,514,405	124,642,905	24,759,402	31,576,000	130,250,000	130,753,730	503,730
Equipment	-	-	-	-	-	74,000	74,000
Transfers	106,500	81,104	807	134,452	276,068	795,688	519,620
Total Exp Authority	111,005,812	124,876,076	25,344,478	32,400,802	131,129,362	134,147,399	3,018,037
Reimbursements	-	-	-	-	-	(11,480)	(11,480)
Total Appropriation	111,005,812	124,876,076	25,344,478	32,400,802	131,129,362	134,135,919	3,006,557
Operating Transfers Out	24,990,782	25,324,890	28,280,397	22,283,862	26,059,462	25,324,417	(735,045)
Total Requirements	135,996,594	150,200,966	53,624,875	54,684,664	157,188,824	159,460,336	2,271,512
<b>Departmental Revenue</b>							
Licenses and Permits	-	-	-	-	-	138,955	138,955
Fines and Forfeitures	-	-	-	-	-	789,878	789,878
Realignment	10,482,189	10,558,061	14,223,473	8,358,664	12,188,824	11,840,165	(348,659)
State, Fed or Gov't Aid	-	-	-	-	-	400,500	400,500
Current Services	110,514,405	124,642,905	24,509,402	31,326,000	130,000,000	130,347,236	347,236
Other Revenue	-	-	-	-	-	5,000	5,000
Total Revenue	120,996,594	135,200,966	38,732,875	39,684,664	142,188,824	143,521,734	1,332,910
Operating Transfers In	-	-	-	-	-	938,602	938,602
Total Financing Sources	120,996,594	135,200,966	38,732,875	39,684,664	142,188,824	144,460,336	2,271,512
Local Cost	15,000,000	15,000,000	14,892,000	15,000,000	15,000,000	15,000,000	-
Budgeted Staffing					4.0	20.8	16.8

Salaries and benefits of \$1,782,617 fund 20.8 positions, and are increasing by \$1,250,417 primarily as a result of the transfer of 18.8 positions from ICEMA previously reflected within the Public Health budget unit. These additions were offset by the transfer of 1.0 Deputy Administrative Officer and 1.0 Executive Secretary to the County Administrative budget to better align with the administrative support these two staff were providing.



Service and supplies of \$718,293 are increasing by \$651,803, again primarily as a result of reflecting operational costs for ICEMA, which includes computer and equipment purchases, professional services contracts for the ICEMA Medical Director and Homeland Security and Emergency Preparedness consultants, and travel related expenses.

Other charges of \$130,753,730 are increasing by \$503,700 resulting from contributions to local area hospitals for pediatric trauma care.

Equipment is budgeted at \$74,000 for purchase of an ALS monitor/defibrillator, ParaPAC transport ventilator, new file server, and Toughbooks to be utilized with the new Healthware Solutions software.

Transfers of \$795,688 represent payment to other departments for employee relations, the Employee Health and Productivity program, and lease costs. The \$519,620 increase results primarily from payment for administrative and program support from the County Administrative Office, ongoing health care computer programming development to be conducted by Information Services Department, and administrative support from the Department of Public Health for ICEMA.

Operating transfers out of \$25,324,417 fund \$4.3 of realignment local match, which must be transferred into trust, before Health Realignment monies can be directed toward the Public Health and Arrowhead Regional Medical Center budget units to fund health programs, and \$21.0 million of net debt service lease payment for Arrowhead Regional Medical Center. These transfers are funded by \$15.0 of Tobacco Master Settlement Agreement monies and an additional \$10.3 million of realignment.

Licenses and permits of \$138,955 include revenue from ambulance licensure and Emergency Medical Technician certification.

Fines and forfeitures of \$789,878 include fines collected by the Superior Court for criminal offenses, which are used to support ICEMA.

Realignment revenue of \$11,840,165 is decreasing by \$348,659 primarily as a result of decreases in net debt service lease payment for Arrowhead Regional Medical Center.

State aid of \$400,500 represents funding from the Emergency Medical Services Authority (EMSA) to support maintenance of the three-county Joint Powers Agreement; the Regional Disaster Medical Health Specialist's Area VI, which includes San Diego, Imperial, Riverside, Inyo, Mono, and San Bernardino counties; and the Disaster Medical Assistance Team.

Current services of \$130,347,236 are increasing by \$347,236 to reflect revenue from performance based ambulance contracts.

Operating transfers in of \$938,602 reflect transfers from the Pediatric Trauma, Hospital Preparedness and Performance Based Fines special revenue funds for expenditures related to ICEMA.

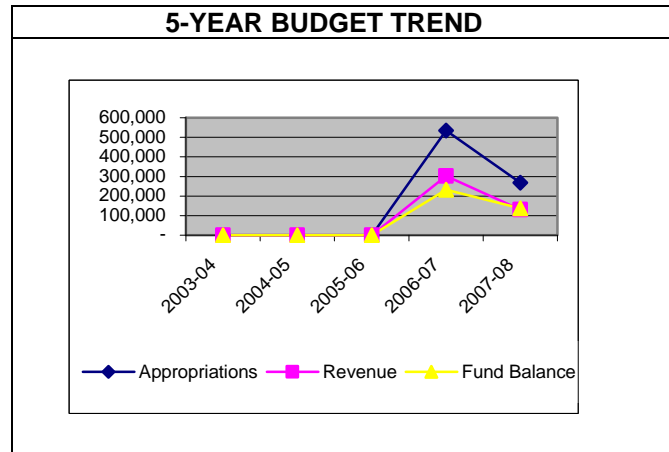
## Ambulance Performance Based Fines

### DESCRIPTION OF MAJOR SERVICES

This fund is set up to collect revenue (fines) associated with ambulance companies' failure to meet contractual response time standards. Per the terms of the contracts, these funds are earmarked for enhancements to the Emergency Medical System.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

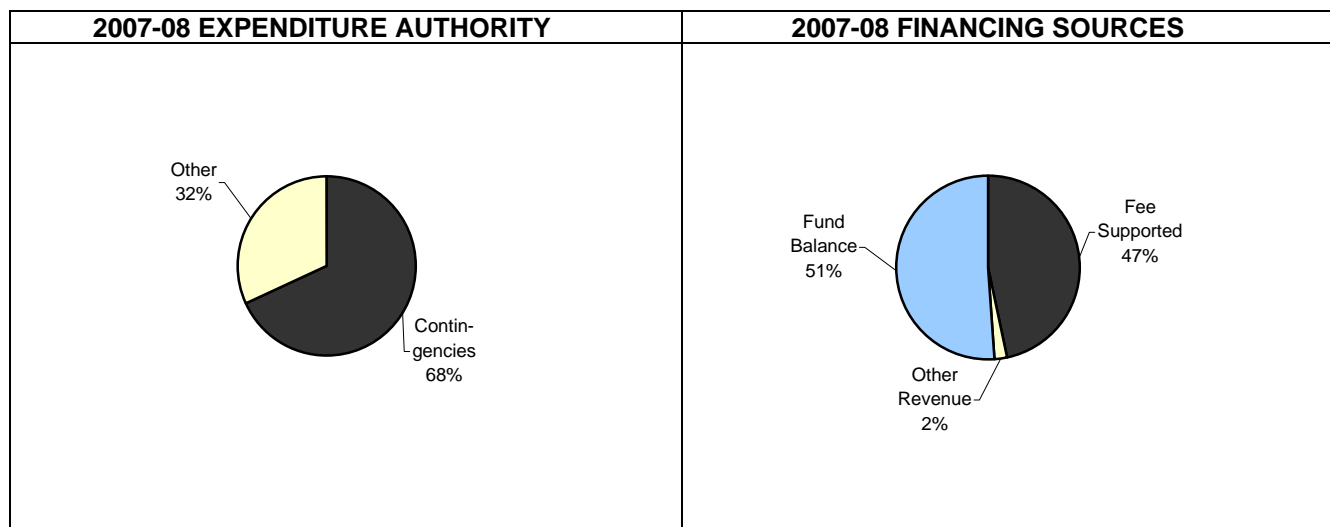
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	-	-	533,911	229,000
Departmental Revenue	-	-	231,411	302,500	135,178
Fund Balance				231,411	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. In 2006-07, the Board approved an appropriation transfer of \$229,597 from contingencies to operating transfer out for purchase of an electronic pre-hospital patient care data collection and syndromic surveillance system (MISS).

Departmental Revenue is less than modified budget primarily due to improved response times on the part of ambulance service providers.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Health Administration  
FUND: Performance Based Fines

BUDGET UNIT: SDS HCC  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	533,911	183,089	(350,822)
Total Appropriation	-	-	-	-	533,911	183,089	(350,822)
Operating Transfers Out	-	-	-	229,000	-	85,500	85,500
Total Requirements	-	-	-	229,000	533,911	268,589	(265,322)
<b><u>Departmental Revenue</u></b>							
Fines and Forfeitures	-	-	227,756	125,028	300,000	125,000	(175,000)
Use Of Money and Prop	-	-	3,655	10,150	2,500	6,000	3,500
Total Revenue	-	-	231,411	135,178	302,500	131,000	(171,500)
Fund Balance					231,411	137,589	(93,822)

Contingencies of \$183,089 reflect a decrease of \$350,822 based on estimated fund balance. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget.

Operating transfer out of \$85,500 reflects funding for a Statistical Methods Analyst.

Fines and forfeitures of \$125,000 are decreased by \$175,000 to reflect anticipated receipt of fines. Interest revenue of \$6,000 is anticipated based on current interest rate.



## Pediatric Trauma

### DESCRIPTION OF MAJOR SERVICES

This fund is set up to collect revenue (fines) associated with implementation of Senate Bill (SB) 1773, Chapter 841 of the Statutes of 2006, which allows counties to collect an additional two dollars (\$2) for every ten dollars (\$10) or fraction thereof, upon various fines, penalties, forfeitures, and primary moving violations collected by the San Bernardino Court and deposited into the Maddy Fund.

The additional fines collected will be distributed as follows:

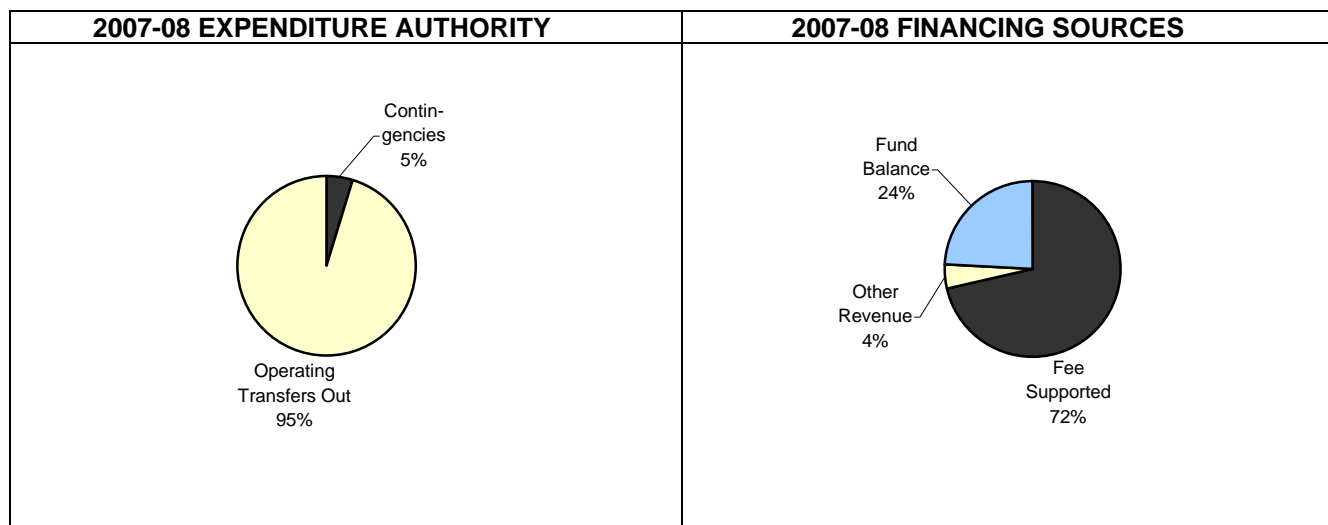
- A. 10% for administration
- B. 15% of the remaining funds to deposited into the Pediatric Trauma Fund; with the remaining funds further allocated as follows:
  - a. 58% for physician reimbursement
  - b. 25% for hospital reimbursement (Disproportionate Hospitals)
  - c. 17% for Emergency Medical (EMS) programs

This is a newly established budget unit in 2007-08 and therefore no history available.

There is no staffing associated with this budget unit.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Health Administration  
FUND: Pediatric Trauma

BUDGET UNIT: SZA HCC  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	-	20,211	20,211
Total Appropriation	-	-	-	-	-	20,211	20,211
Operating Transfers Out	-	-	-	-	-	404,730	404,730
Total Requirements	-	-	-	-	-	424,941	424,941
<b><u>Departmental Revenue</u></b>							
Fines and Forfeitures	-	-	-	102,372	-	303,547	303,547
Use Of Money and Prop	-	-	-	-	-	19,022	19,022
Total Revenue	-	-	-	102,372	-	322,569	322,569
Fund Balance					-	102,372	102,372

Contingencies of \$20,211 are based on estimated fund balance and are related to anticipated receipt of fines, forfeitures and interest revenue. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended will be carried over to the subsequent year budget.

Operating transfer out of \$404,730 reflects anticipated payment to trauma centers and local area hospitals providing care to pediatric trauma patients.

Fines and forfeitures of \$303,547 reflect anticipated receipt of revenue. Interest revenue of \$19,022 is anticipated based on current interest rate.



## Hospital Preparedness

### DESCRIPTION OF MAJOR SERVICES

State bio-terrorism funds are received and transferred out as needed to the Inland Counties Emergency Medical Agency (ICEMA) as reimbursement for actual preparedness, response, and training of hospital staff as it relates to bio-terrorism events. This is a financing budget only with funds being transferred from this special revenue account to reimburse ICEMA for expenditures.

In the past, the Department of Public Health applied separately through the state for funding from the Centers of Disease Control (CDC) for Bio-Terrorism, Pandemic Influenza, and Cities Readiness Initiative and from the Health Resources Services and Administration (HRSA) for hospital preparedness. In 2006-07, the federal government changed its grant application process for preparedness and response funding by combining the applications.

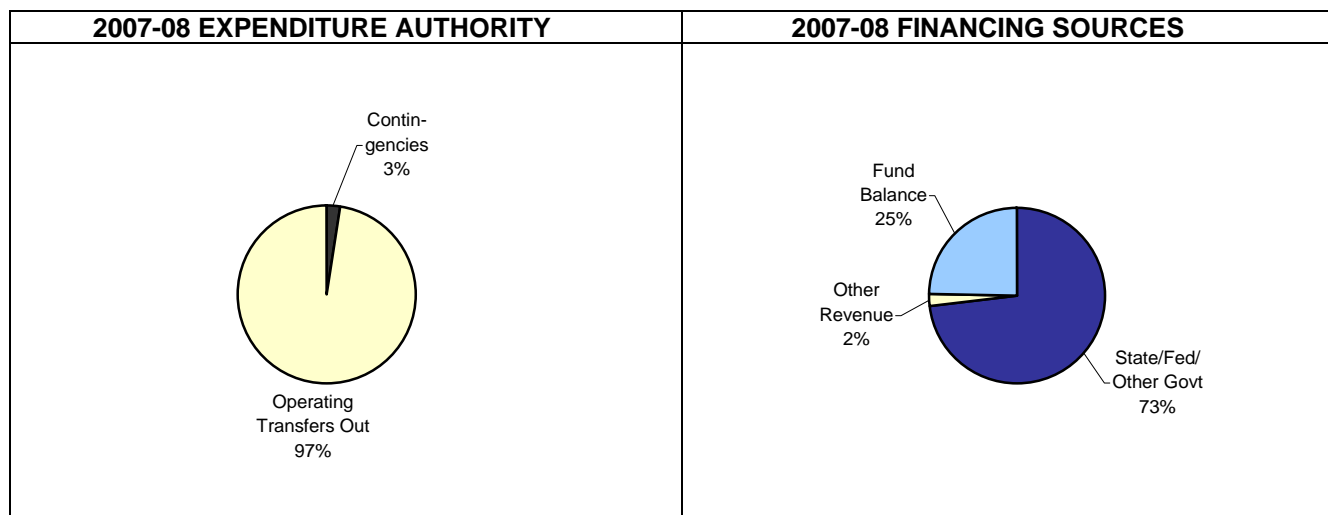
On August 31, 2007, ICEMA will become responsible for managing HRSA hospital preparedness funds. The remaining three sections from the CDC for Bio-Terrorism, Pandemic Influenza and Cities Readiness Initiative will remain the responsibility of the Department of Public Health.

This is a newly established budget unit in 2007-08 therefore no history is available.

There is no staffing associated with this budget unit.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Health Administration  
 FUND: Hospital Preparedness

BUDGET UNIT: SZB HCC  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	-	9,871	9,871
Total Appropriation	-	-	-	-	-	9,871	9,871
Operating Transfers Out	-	-	-	-	-	373,372	373,372
Total Requirements	-	-	-	-	-	383,243	383,243
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	-	-	-	-	-	8,774	8,774
State, Fed or Gov't Aid	-	-	-	94,440	-	280,029	280,029
Total Revenue	-	-	-	94,440	-	288,803	288,803
Fund Balance					-	94,440	94,440

Contingencies of \$9,871 are based on estimated fund balance. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended will be carried over to the subsequent year budget.

Operating transfer out of \$373,372 reflects funding for a Nurse Educator, purchase of a heart monitor, and expenditures associated with conducting decontamination and weapons of mass destruction exercises and trainings.

State aid of \$280,029 reflects funding for Hospital Preparedness now being recorded in this special revenue fund. Interest revenue of \$8,774 is anticipated based on current interest rate.





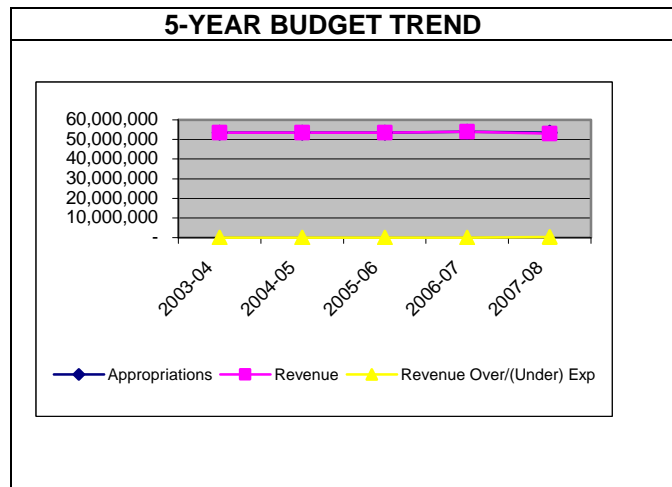
## Medical Center Lease Payments

### DESCRIPTION OF MAJOR SERVICES

This unit funds the cost of long-term lease payments to the Inland Empire Public Facilities Corporation for the Arrowhead Regional Medical Center (ARMC) facility. Funding sources include state revenues from the SB 1732 – Construction Renovation/Reimbursement Program that provides supplemental reimbursement for construction, renovation, or replacement of medical facilities or fixed equipment, operating transfers from ARMC representing Medicare and fee for service revenues, and operating transfers from the general fund backed by Health Realignment revenues and tobacco settlement proceeds.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



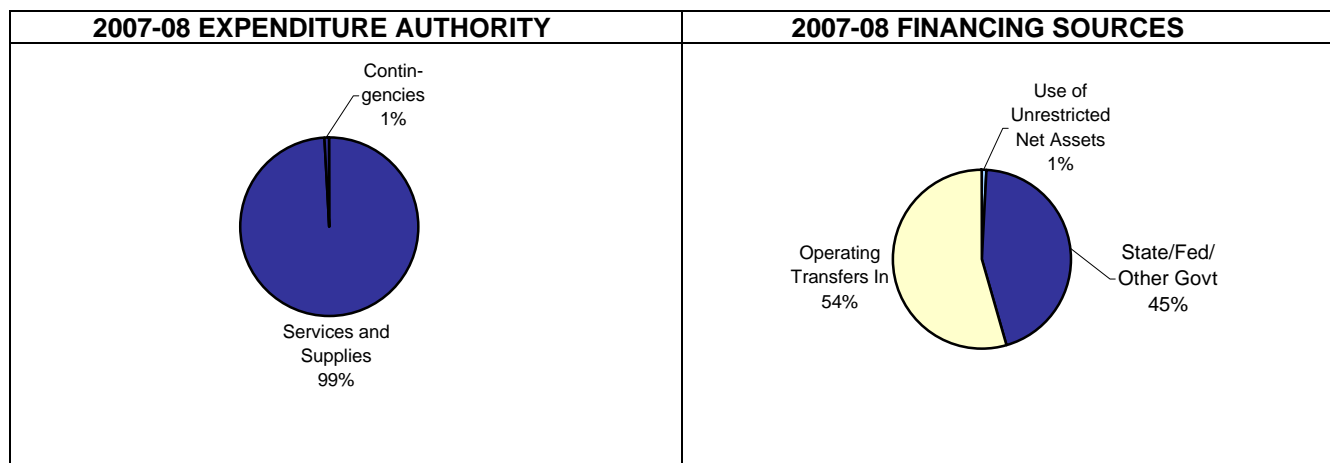
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	53,519,080	53,267,557	53,485,019	54,023,686	52,161,417
Departmental Revenue	53,519,080	53,267,557	53,485,019	54,023,686	52,561,417
Revenue Over/(Under) Exp	-	-	-	-	-

Estimated appropriation is less than modified budget due primarily to one-time excess interest revenue realized in one of the debt service reserve funds, in the amount of \$1.1 million, coupled with savings on the interest rate swap associated with the 1998 Medical Center Bonds, in the amount of \$835,494.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Joint Powers Lease  
FUND: ARMC Lease Payments

BUDGET UNIT: EMD JPL  
FUNCTION: General  
ACTIVITY: Property Management

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	53,519,080	53,267,557	53,485,019	52,161,417	54,023,686	53,008,963	(1,014,723)
Contingencies	-	-	-	-	-	400,000	400,000
Total Appropriation	53,519,080	53,267,557	53,485,019	52,161,417	54,023,686	53,408,963	(614,723)
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	22,165,895	20,259,346	21,521,301	26,594,234	24,280,903	24,001,225	(279,678)
Total Revenue	22,165,895	20,259,346	21,521,301	26,594,234	24,280,903	24,001,225	(279,678)
Operating Transfers In	31,353,185	33,008,211	31,963,718	25,967,183	29,742,783	29,007,738	(735,045)
Total Financing Sources	53,519,080	53,267,557	53,485,019	52,561,417	54,023,686	53,008,963	(1,014,723)
Rev Over/(Under) Exp	-	-	-	-	-	(400,000)	(400,000)

In 2007-08, services and supplies of \$53,008,963 are decreased to reflect decreased lease payment and associated fees of \$1,014,723.

On February 13, 2007, the Board approved a change to County Budget Financing Policy 02-09 requiring that any benefit realized on interest rate swap agreements by the County be retained as a contingency to offset the County share of any future increases in debt service caused by the swap agreement. Contingencies in the amount of \$400,000 are established for 2007-08 and shall become cumulative until such time as the contingency amount reaches \$5.0 million.

State aid of \$24,001,225 is decreased by \$279,678 due to a decrease in SB 1732 reimbursement. A portion of the medical center lease payments is reimbursed by the state through the Construction Renovation/Reimbursement Program (SB 1732). The amount reimbursed by the state depends on the allowable lease payments multiplied by a rate that is calculated by the state every year. The rate fluctuates up or down based on the actual Medi-Cal inpatient days paid to Arrowhead Regional Medical Center.

Operating transfers in of \$29,007,738 are funded by \$10.7 million of Tobacco Master Settlement Agreement monies and \$10.3 million of realignment. The remaining \$8.0 million represents revenues anticipated to be generated by Arrowhead Regional Medical Center and transferred to fund the remaining debt service lease payment.



## Master Settlement Agreement

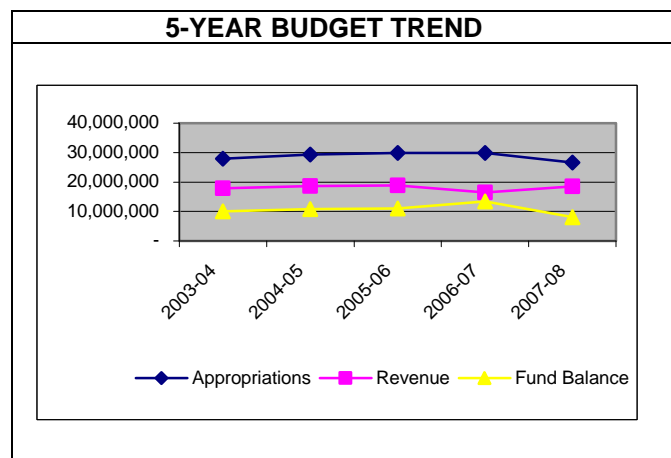
### DESCRIPTION OF MAJOR SERVICES

This budget unit accounts for proceeds received from the tobacco lawsuit Master Settlement Agreement (MSA). In late 1998 a settlement was reached in a lawsuit filed by states against the tobacco industry. In California, the proceeds of the settlement are to be divided equally between the state and local governments who partnered in the lawsuit. Payments to local governments are based on a formula involving total tobacco sales and each local entity's population.

A majority of the county's total proceeds are used each year to finance a portion of the Arrowhead Regional Medical Center debt.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

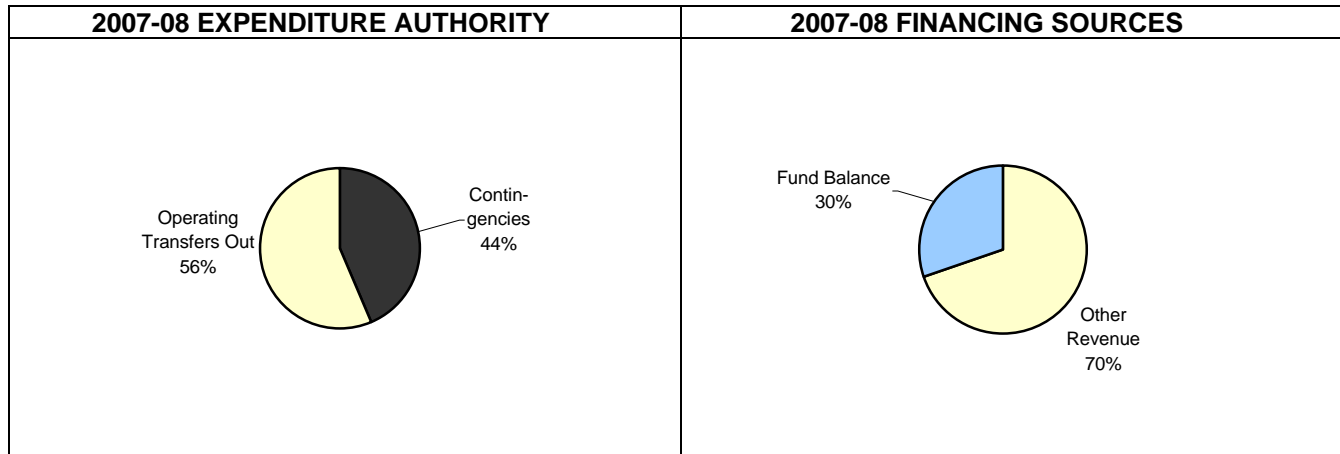
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	18,633,000	15,000,000	29,851,043	22,933,000
Departmental Revenue	18,473,314	18,757,407	17,438,142	16,423,588	17,590,872
Fund Balance				13,427,455	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated expenditure is typically less than modified budget. Estimated departmental revenue is higher than modified budget due to an increase in settlement monies being received.

In 2006-07, a \$4.0 million transfer to Chaffey College for enhancement of Chaffey's nursing program resulted in a decreased fund balance.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Master Settlement Agreement  
**FUND:** Tobacco Settlement Agreement

**BUDGET UNIT:** RSM MSA  
**FUNCTION:** Health and Sanitation  
**ACTIVITY:** Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	-	-	-	-	170,730	-	(170,730)
Other Charges	-	-	-	4,000,000	4,000,000	-	(4,000,000)
Contingencies	-	-	-	-	6,747,313	11,585,327	4,838,014
Total Appropriation	-	-	-	4,000,000	10,918,043	11,585,327	667,284
Operating Transfers Out	-	18,633,000	15,000,000	18,933,000	18,933,000	15,000,000	(3,933,000)
Total Requirements	-	18,633,000	15,000,000	22,933,000	29,851,043	26,585,327	(3,265,716)
<b>Departmental Revenue</b>							
Use Of Money and Prop	269,155	280,108	479,359	590,872	250,000	500,000	250,000
Other Revenue	18,204,159	18,477,299	16,958,783	17,000,000	16,173,588	18,000,000	1,826,412
Total Revenue	18,473,314	18,757,407	17,438,142	17,590,872	16,423,588	18,500,000	2,076,412
Fund Balance					13,427,455	8,085,327	(5,342,128)

Contingencies of \$11,585,327 are increased by \$4,838,014 to reflect increased revenues, offset by the decreased fund balance resulting from the one-time transfer to Chaffey College that occurred in 2006-07. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget.

Other charges are decreased by the one-time transfer of \$4.0 to Chaffey College that occurred in 2006-07.

Operating transfers out of \$15.0 million reflect a transfer to the General Fund which is then used to fund the local cost within the Health Administration budget unit. Health Administration uses that local cost to fund the \$4.3 realignment local match requirement and \$10.7 of net debt service lease payment for Arrowhead Regional Medical Center. The decrease of \$3.9 million is a result of eliminating the contribution to general fund financing.

Interest revenue of \$500,000 is increased by \$250,000 to reflect current interest rates and higher fund balance.

Other revenue of \$18.0 million is increased by \$1.8 million to reflect an anticipated increase in revenue received from the major tobacco companies to the Master Settlement Agreement fund.



## Federal Forest Reserve

### DESCRIPTION OF MAJOR SERVICES

In 1908, Congress enacted a law that requires 25% of the revenues derived from the National Forest System to be given to counties in which the lands are situated for the equal benefit of public schools and roads. Pursuant to Public Law No. 106-393, enacted on October 30, 2000, counties could elect to remain under the 25% Payment Method with fluctuating funding levels or change to the Full Payment Method, that requires these revenues to fund either Title II or Title III projects under the Act. The County elected the Full Payment Method.

Title II project funds may be used for the purpose of making additional investments in, and creating additional employment opportunities through projects that improve the maintenance of existing infrastructure, implementing stewardship objectives that enhance forest ecosystems, and restoring and improving land health and water quality.

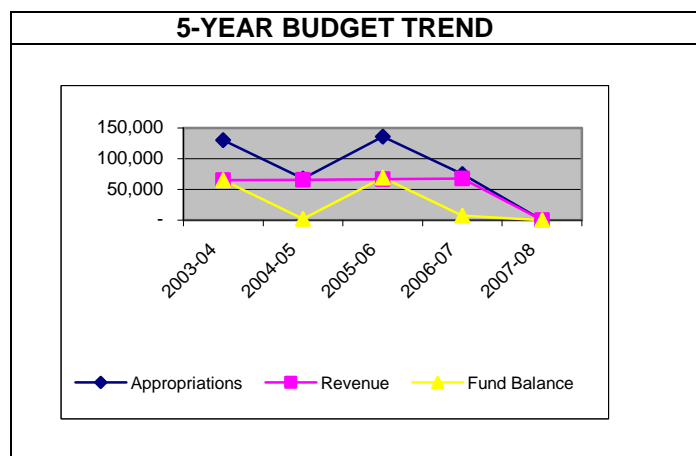
Authorized uses for Title III projects include search, rescue, and emergency services; community service work camps, easement purchases; forest-related educational opportunities; fire prevention and county planning; and community forestry. The State Controller's Office distributes funds to each eligible county according to the agreed upon formula and the counties' election of fund distribution. Title III funding is utilized by County Fire Department to develop fire prevention and community forestry projects that are necessary for the protection of people and property.

The County can select project(s), provided there is a description of the proposed project in the publications of the local record and a 45-day public comment period. The Clerk of the Board is directed to publish a 45-day notice of intent to use the Federal Title III Agriculture Forest Reserve Payment funds for proposed project expenditures including but not limiting to County Fire Department or the Public Works Department.

On September 30, 2006, Congress terminated the Title III program. In anticipation of its closure, the balance of the funds will be transferred to the Public Works Department to pay a portion of the required Forester salary for fire prevention/planning efforts.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	130,317	-	132,572	74,869	76,740
Departmental Revenue	67,145	66,995	70,599	67,701	69,572
Fund Balance				7,168	



## ANALYSIS OF PROPOSED BUDGET

GROUP: Administrative/Executive  
DEPARTMENT: County Administrative Office  
FUND: Federal Forest Reserve

BUDGET UNIT: SFB CAO  
FUNCTION: General  
ACTIVITY: Other Protection

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Operating Transfers Out	130,317	-	132,572	76,740	74,869	-	(74,869)
Total Requirements	130,317	-	132,572	76,740	74,869	-	(74,869)
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	1,775	775	2,856	415	775	-	(775)
State, Fed or Gov't Aid	65,370	66,220	67,743	68,420	66,926	-	(66,926)
Other Revenue	-	-	-	737	-	-	-
Total Revenue	67,145	66,995	70,599	69,572	67,701	-	(67,701)
Fund Balance					7,168	-	(7,168)

In 2007-08, there will not be any expenses recorded in this fund due to the termination of this program from Congress on September 30, 2006. The balance of this fund will be transferred to the Public Works Department to help off set cost for a required Forester salary for fire prevention/planning efforts.



## COUNTY COUNSEL Ruth Stringer

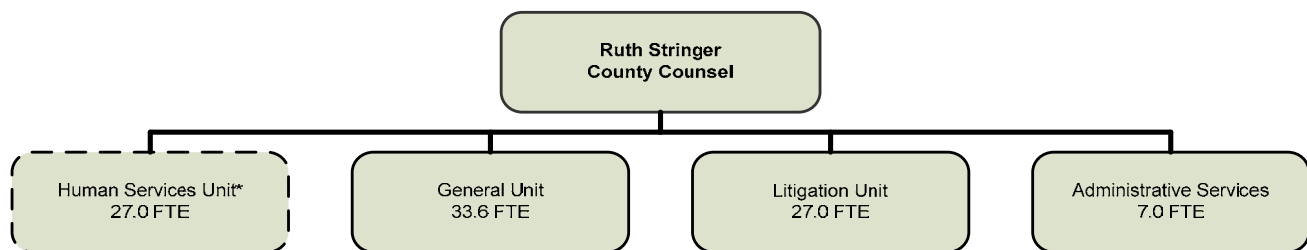
### MISSION STATEMENT

To serve and protect the county, its treasury, and its governing body, by providing timely and accurate legal services and aggressively representing the county in litigation. Legal services shall be performed maintaining the highest professional and ethical standards while fostering high morale and productivity in the work place through collaborative efforts dedicated to continuous improvement.

### STRATEGIC GOALS

1. Provide accurate, timely and reliable document and contract review and legal advice for their clients in order to help them achieve their objectives.
2. Provide exemplary litigation services, by defending actions and decisions, and advocating positions of our clients to assist those clients in achieving their objectives.
3. Represent the county and advocate to protect the interests of the client in cases involving children referred to the Department of Children Services.

### ORGANIZATIONAL CHART



\* These positions are budgeted in the HS Budget Unit.

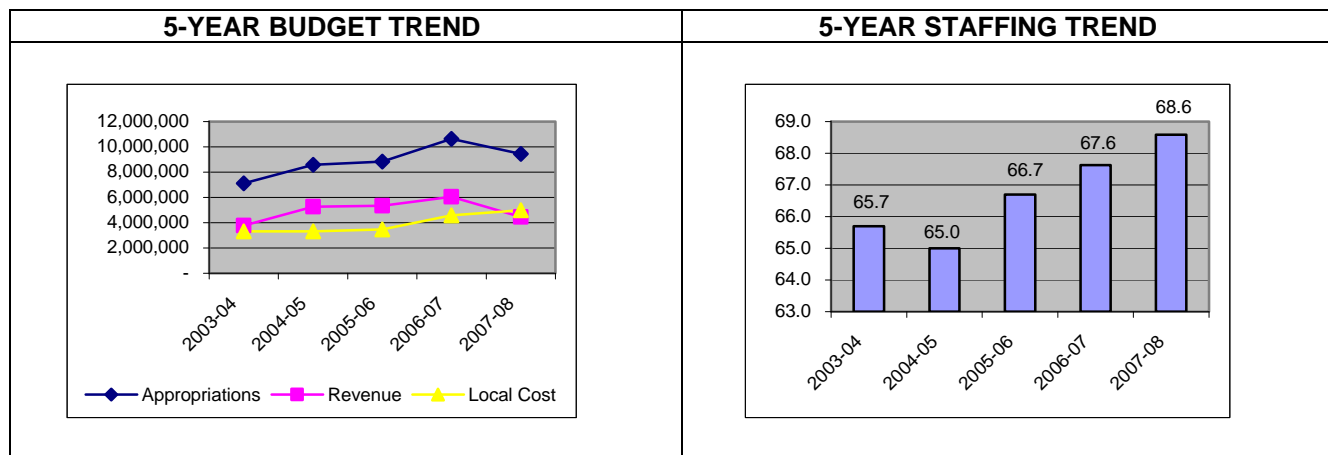


## DESCRIPTION OF MAJOR SERVICES

County Counsel provides civil legal services to the Board of Supervisors, County Administrative Office, county departments, commissions, special districts, and school districts. County Counsel also provides legal services to various joint powers authorities and represents the courts and judges on certain matters.

In performing its duties, the County Counsel's Department is divided into three operational units: the Litigation Unit, which handles tort and civil rights litigation, workers' compensation and code enforcement; the Human Services Unit, which serves the Human Services departments; and the General Unit, which provides legal services to county departments supported by the general fund.

## BUDGET HISTORY



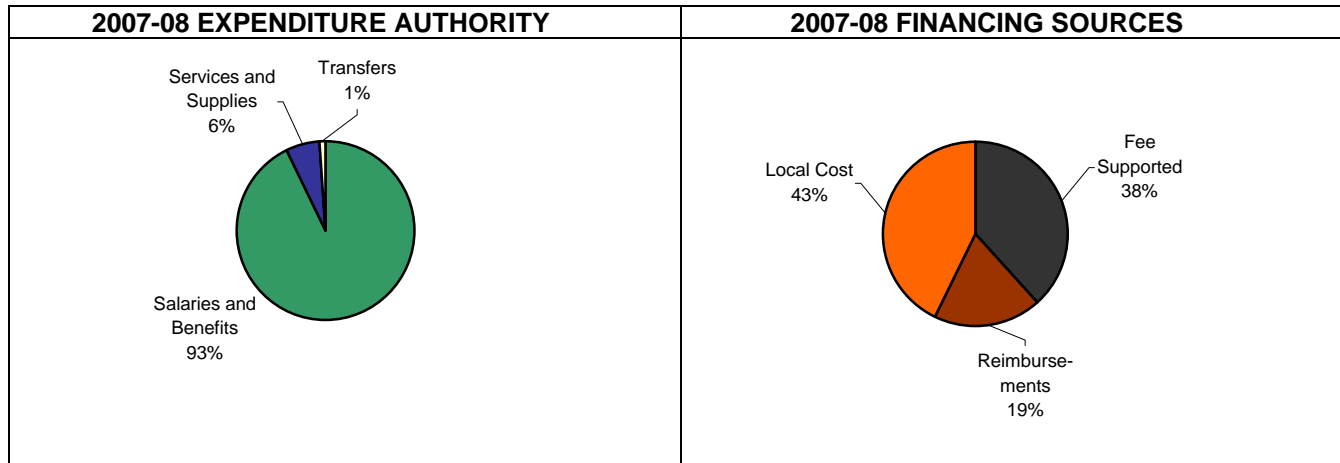
## PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	7,042,372	8,118,509	9,145,838	10,640,844	10,107,196
Departmental Revenue	4,097,031	4,910,634	4,656,166	6,051,944	5,639,640
Local Cost	2,945,341	3,207,875	4,489,672	4,588,900	4,467,556
Budgeted Staffing				67.6	





## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: County Counsel  
FUND: General

BUDGET UNIT: AAA CCL  
FUNCTION: General  
ACTIVITY: Counsel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	6,998,072	7,281,609	8,420,090	9,085,142	9,614,525	10,794,682	1,180,157
Services and Supplies	658,902	765,122	573,403	635,944	645,297	604,235	(41,062)
Central Computer	44,901	59,254	71,451	90,952	90,952	95,159	4,207
Equipment	-	-	-	200,000	200,000	-	(200,000)
Transfers	-	-	80,894	95,158	90,070	130,231	40,161
Total Exp Authority	7,701,875	8,105,985	9,145,838	10,107,196	10,640,844	11,624,307	983,463
Reimbursements	(671,812)	-	-	-	-	(2,193,121)	(2,193,121)
Total Appropriation	7,030,063	8,105,985	9,145,838	10,107,196	10,640,844	9,431,186	(1,209,658)
Operating Transfers Out	12,309	12,524	-	-	-	-	-
Total Requirements	7,042,372	8,118,509	9,145,838	10,107,196	10,640,844	9,431,186	(1,209,658)
<b>Departmental Revenue</b>							
Current Services	4,097,031	4,910,634	4,654,051	5,639,640	6,051,944	4,454,209	(1,597,735)
Other Revenue	-	-	2,115	-	-	-	-
Total Revenue	4,097,031	4,910,634	4,656,166	5,639,640	6,051,944	4,454,209	(1,597,735)
Local Cost	2,945,341	3,207,875	4,489,672	4,467,556	4,588,900	4,976,977	388,077
Budgeted Staffing					67.6	68.6	1.0

Salaries and benefits of \$10,794,682 fund 68.6 positions and are increasing by \$1,180,157 primarily due to an increase in local cost allocation of \$514,090 to fund anticipated retirement costs. Additionally, a net increase of \$155,510 which includes the increase of 0.4 budgeted staffing due to the reclassification of a part-time extra help position to a part-time regular position and the addition of a net 0.6 budgeted staffing for two new returning retirees to assist with workload; a \$55,092 increase in workers' compensation charges; and other costs associated with MOU, exempt compensation plan, and retirement rate adjustments.

Services and supplies of \$604,235 include professional services such as expert witness, outside counsel costs, transcriber costs; general office expense; computer hardware purchases; small equipment purchases; and other expenses, such as publications, memberships, and travel related expenses. The decrease of \$41,062 is mainly attributed to the reclassification of services and supplies costs to transfers.

Equipment decreased by \$200,000 as the result of the removal of last year's approved policy item for computer equipment.



Transfers of \$130,231 include charges to other county departments for rents operated by Real Estate Services, systems support services shared with the Board of Supervisors, employee programs provided by Human Resources and maintenance provided by the Facilities Management Department. Increases to this line item are the result of reclassifications from services and supplies.

Reimbursements of \$2,193,121 represent reimbursements from other departments for services rendered by County Counsel. Previously, this reimbursement amount was recorded as revenue; however, GASB 34 guidelines require this to be classified as reimbursement when the paying department is in the same fund.

Current services of \$4,454,209 represent the revenues received from non-general fund departments and outside clients. A net decrease of \$1,597,735 from the prior year is a result of several factors. These factors include the reclassification of revenues and reimbursements required by GASB 34, a fee increase approved by the Board of Supervisors in March, additional revenues resulting from the two fully funded returning retirees, and a slight increase in hours anticipated from non-general fund clients.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of contracts that are reviewed within two weeks of receipt.	85%	90%	95%
Percentage of clients who ranked satisfactory or above on advice they received by attorneys which was clear, relevant, and timely.	85%	94%	95%
Percentage of cases being litigated that resulted in resolution in favor of the county or within liability limits.	85%	90%	95%
Percentage of juvenile cases being resolved with the desired outcome, as determined by the Department of Children's Services. (2252 cases as of 2006-07)	NEW	85%	90%
Upgrade computer systems hardware/platform software.	50%	90%	100%
Increase in General Unit attorney service hours.	50%	50%	65%

POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost	Proposed 2007-08 Performance Measurement
1	Increase in General Unit Staff Add a paralegal and an executive secretary II to the general unit. These positions will support the general unit attorneys and serve the Board of Supervisors, the County Administrative Office, and other general fund clients to meet their growing legal needs.	2.0	165,135	-	165,135	
	<i>To improve production by 10% in meeting the General Unit's support needs; so the department can meet clients' needs for timely legal services.</i>					10%
2	Additional Chief Deputy County Counsel Addition of one new Chief Deputy County Counsel position to provide for greater depth within the department and for succession planning purposes as several high level positions are expected to retire within a short period of time.	1.0	256,250	-	256,250	
	<i>To improve responsiveness of legal services by 10% to the Board and County Administrative Office for special projects and the increased demand for legal services.</i>					10%
<b>Total</b>		<b>3.0</b>	<b>421,385</b>	<b>-</b>	<b>421,385</b>	



## HUMAN RESOURCES

### Andrew L. Lamberto

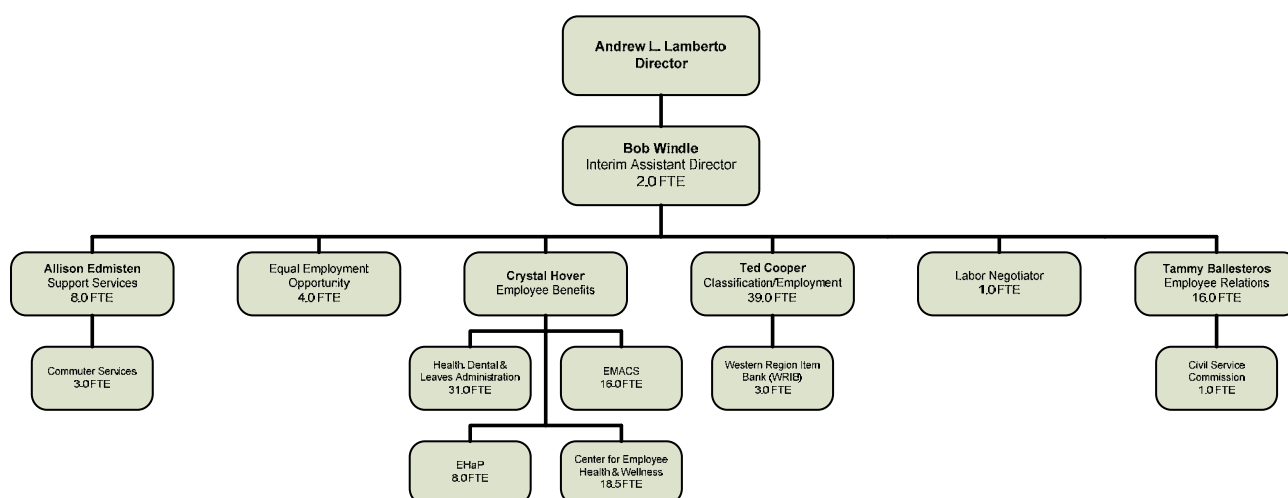
#### MISSION STATEMENT

The Human Resources Department is committed to providing effective customer service to all departments, employees, and constituents of the County of San Bernardino, through the timely delivery of innovative, quality human resources systems, programs, and services.

#### STRATEGIC GOALS

1. Assist county departments in attracting and retaining highly qualified staff.
2. Increase and improve delivery of Human Resources services to customers.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2007-08					
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<b><u>General Fund</u></b>					
Human Resources	7,184,690	373,794	6,810,896		103.0
The Center for Employee Health and Wellness	1,048,542	732,542	316,000		18.5
Unemployment Insurance	4,000,500	-	4,000,500		-
<b>Total General Fund</b>	<b>12,233,732</b>	<b>1,106,336</b>	<b>11,127,396</b>		<b>121.5</b>
<b><u>Special Revenue Funds</u></b>					
Commuter Services	889,117	505,000		384,117	3.0
Employee Benefits and Services	4,009,530	2,576,307		1,433,223	32.0
<b>Total Special Revenue Funds</b>	<b>4,898,647</b>	<b>3,081,307</b>		<b>1,817,340</b>	<b>35.0</b>
<b>Total - All Funds</b>	<b>17,132,379</b>	<b>4,187,643</b>	<b>11,127,396</b>	<b>1,817,340</b>	<b>156.5</b>

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



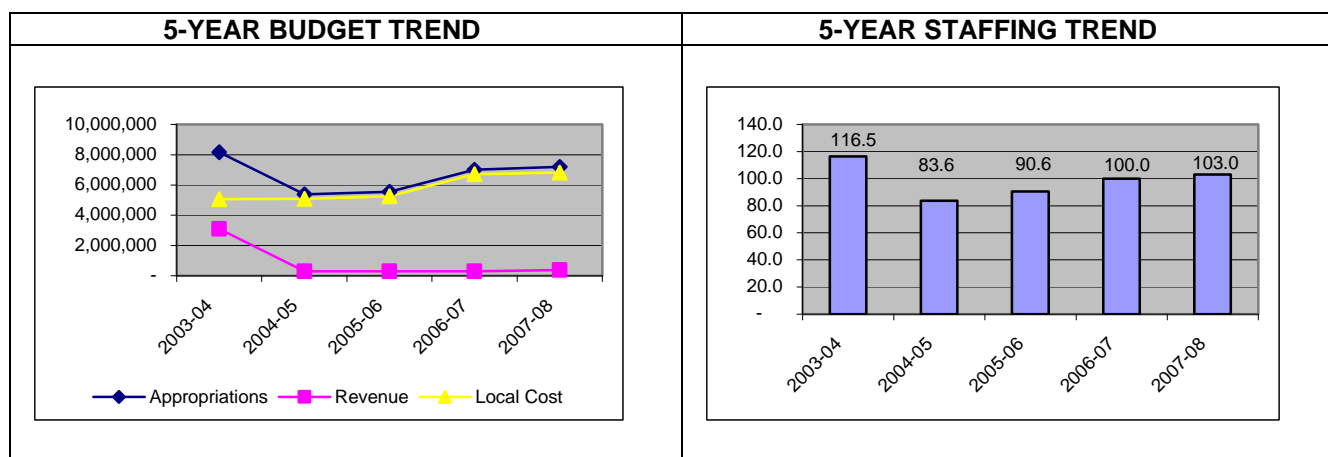
## Human Resources

### DESCRIPTION OF MAJOR SERVICES

The Human Resources Department administers the County's human resources programs. This includes the responsibility for recruitment, employment testing, and certification of eligible candidates; establishment and maintenance of classification and compensation systems and practices; employee relations; employee benefits; systems and program administration for a portion of the Employee Management and Compensation System (EMACS); the Equal Employment Opportunity Office; and the Commission on the Status of Women. Human Resources also shares responsibility, through a partnership with Human Services, for countywide organizational and employee development.

In addition, the department is responsible for the management of the Western Region Item Bank (WRIB), a cooperative, computer-based test question bank used by 167 public agencies to develop employment tests. Each WRIB participating agency pays an annual fee.

### BUDGET HISTORY

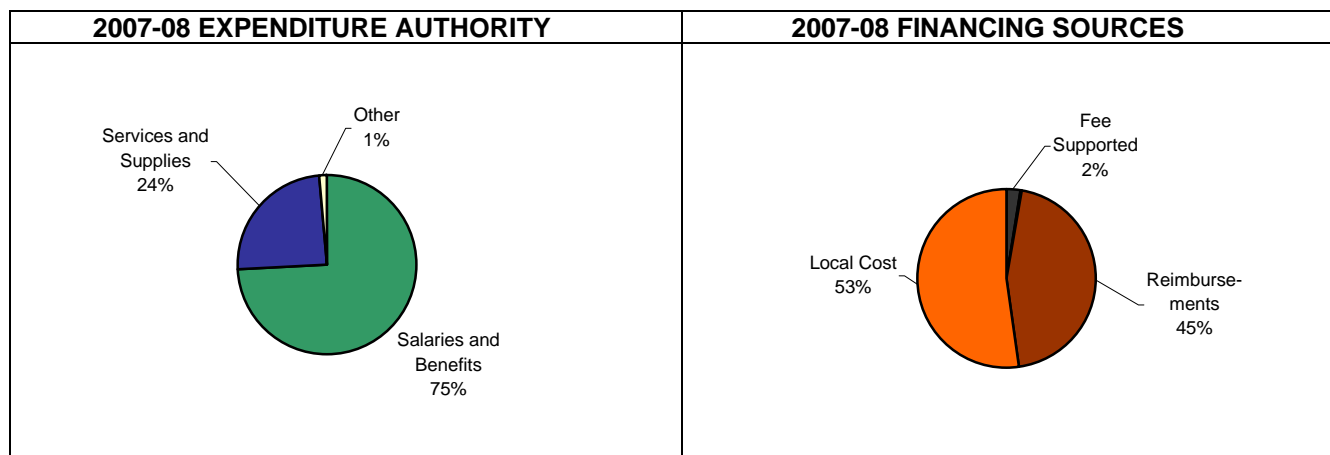


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	7,667,407	5,232,190	6,248,060	7,135,040	6,822,006
Departmental Revenue	2,389,911	225,313	274,495	427,500	381,923
Local Cost	5,277,496	5,006,877	5,973,565	6,707,540	6,440,083
Budgeted Staffing				100.0	



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Human Resources  
FUND: General

BUDGET UNIT: AAA HRD  
FUNCTION: General  
ACTIVITY: Personnel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	7,357,762	5,989,437	7,123,465	8,494,462	8,891,963	9,659,549	767,586
Services and Supplies	3,376,202	2,746,829	2,901,975	3,324,790	3,168,933	3,033,283	(135,650)
Central Computer	106,156	129,093	148,560	145,325	145,325	140,966	(4,359)
Transfers	183,608	49,975	26,888	32,723	134,077	179,513	45,436
Total Exp Authority	11,023,728	8,915,334	10,200,888	11,997,300	12,340,298	13,013,311	673,013
Reimbursements	(3,356,321)	(3,683,144)	(3,952,828)	(5,175,294)	(5,330,258)	(5,828,621)	(498,363)
Total Appropriation	7,667,407	5,232,190	6,248,060	6,822,006	7,010,040	7,184,690	174,650
<b>Departmental Revenue</b>							
Current Services	292,380	(3,969,749)	274,495	345,764	262,500	321,300	58,800
Other Revenue	-	4,195,062	-	36,159	40,000	52,494	12,494
Total Revenue	292,380	225,313	274,495	381,923	302,500	373,794	71,294
Operating Transfers In	2,097,531	-	-	-	-	-	-
Total Financing Sources	2,389,911	225,313	274,495	381,923	302,500	373,794	71,294
Local Cost	5,277,496	5,006,877	5,973,565	6,440,083	6,707,540	6,810,896	103,356
Budgeted Staffing					100.0	103.0	3.0

Salaries and benefits of \$9,659,549 fund 103.0 positions and are increasing by \$767,586 primarily resulting from \$139,220 in expected termination benefits, a \$78,000 increase in workers' compensation charges, and other costs associated with MOU and retirement rate adjustments.

In addition, a departmental reorganization has resulted in the following recommended changes:

- transfer of 3.0 fiscal positions from the Employee Benefits and Services Division including the partially offsetting reimbursement;
- the reclassification of a vacant Fiscal Assistant (pay range 31) to a Secretary I (pay range 35) for the Support Services Section to provide daily administrative support;
- the combination of the employment recruitment, testing, and reclassification functions, resulting in an equity adjustment for the Human Resources Division Chief from (pay range 77) to (pay range 80) and the deletion of a vacant Human Resources Section Manager position (pay range 73);
- the removal of the primary negotiations function for the Employee Relations Chief resulting in an equity adjustment from (pay range 85) to (pay range 80) as these duties were transferred to the Labor Negotiator;



- reclassification of a Human Resources Officer III (pay range 74) to Employee Relations Chief (pay range 80) to supervise the daily operations of the Employee Relations Division;
- reclassification of the vacant Employee Relations Chief (pay range 80) to Labor Negotiator (pay range 80), a new classification, to oversee negotiations with the 16 different bargaining units;
- reclassification of the Systems Procedures Analyst II (pay range 67) to Human Resources Analyst II (pay range 65) to manage the EMACS program.
- downgrade of a vacant Human Resources Analyst II (pay range 65) to a Systems Procedures Analyst I (pay range 63) within the EMACS program;
- downgrade of a vacant Human Resources Analyst I (pay range 58) to a Personnel Technician (pay range 41) for the WRIB program.
- the addition of 1.0 Human Resources Officer II position for Human Services, which will be fully reimbursed.

Services and supplies of \$3,033,283 include MOU training funds, office expenses, advertising expenses, and contracts for professional services. The \$135,650 decrease is the result of one-time general fund financing received in 2006-07 to develop marketing plans to promote the County as an "Employer of Choice" and further promote the WRIB program.

Transfers of \$179,513 represent internal County Counsel and Facilities Management charges. The \$45,436 change results primarily from the GASB 34 requirement to recognize Facilities Management charges as transfers rather than expenditures, and slight increases in County Counsel and Suggestion Award program costs.

Reimbursements of \$5,828,621 reflect reimbursements from other departments for employee relations, the Employee Health and Productivity program, the Employee Assistance Program, and advertising charges. Reimbursement for administrative costs from the Center for Employee Health and Wellness and the Employee Benefits and Services Division are also included. The \$498,363 increase is the result of advertising expenses reimbursed being represented as reimbursements rather than revenue.

Current services revenue of \$321,300 represents Western Region Item Bank (WRIB) memberships. This is a \$58,800 increase over last year resulting from marketing efforts.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of qualified applicants (i.e. those who meet the minimum requirements).	69%	69%	70%
Percentage increase of WRIB members (164 members in 2005-06).	5%	5%	5%
Percentage decrease in written exams.	NEW	NEW	10%
Percentage of accuracy in processing payroll documents.	85%	85%	90%
Percentage increase of contacts made due to marketing efforts.	NEW	NEW	15%

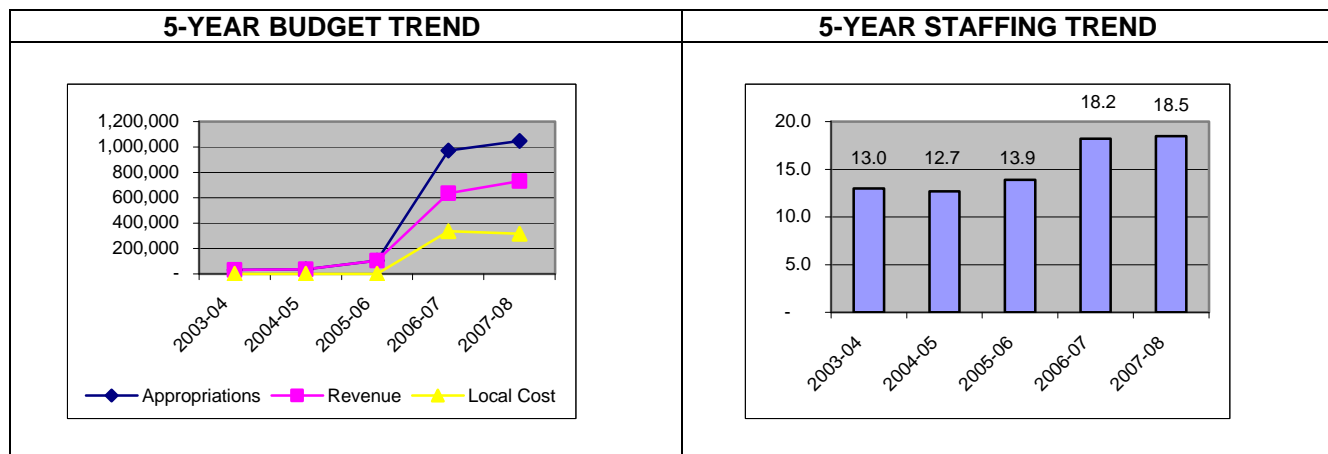


## The Center for Employee Health and Wellness

### DESCRIPTION OF MAJOR SERVICES

The Center for Employee Health and Wellness (CEHW) is part of the Employee Benefits and Services Division. The CEHW is responsible for employee and applicant pre-placement and in-service medical examinations, medical records, representing the county in hearings before the Civil Service Commission regarding appeals of medical findings, and advising the county's management on compliance with Occupational Safety and Health Administration (OSHA) regulations and occupational medical problems.

### BUDGET HISTORY



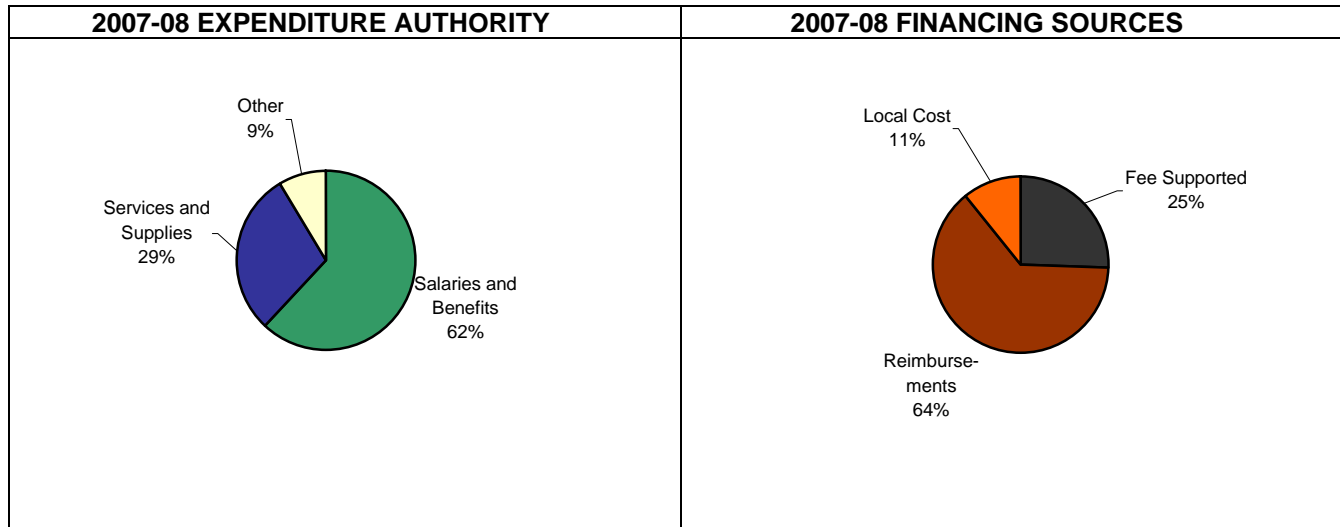
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	(15,337)	59,730	(69,471)	972,404	759,725
Departmental Revenue	37,616	74,214	80,490	635,404	339,268
Local Cost	(52,953)	(14,484)	(149,961)	337,000	420,457
Budgeted Staffing				18.2	

In 2006-07, the CEHW experienced a revenue shortfall due to the delayed opening of the High Desert location. In addition, the services and supplies appropriation was exceeded due to prior year payments and lease costs due to the Arrowhead Regional Medical Center. As a result, additional local cost or general fund financing is anticipated to be required in 2006-07.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Human Resources - Employee Health and Wellness  
**FUND:** General

**BUDGET UNIT:** AAA OCH  
**FUNCTION:** General  
**ACTIVITY:** Personnel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	852,643	996,466	1,062,708	1,375,543	1,830,772	1,784,656	(46,116)
Services and Supplies	151,115	271,362	223,397	894,658	680,770	833,913	153,143
Central Computer	7,249	8,020	9,865	12,642	12,642	11,620	(1,022)
Equipment	-	-	-	7,367	-	-	-
Transfers	168,836	108,882	37,565	69,766	47,266	250,553	203,287
Total Exp Authority	1,179,843	1,384,730	1,333,535	2,359,976	2,571,450	2,880,742	309,292
Reimbursements	(1,195,180)	(1,325,000)	(1,403,006)	(1,600,251)	(1,599,046)	(1,832,200)	(233,154)
Total Appropriation	(15,337)	59,730	(69,471)	759,725	972,404	1,048,542	76,138
<b>Departmental Revenue</b>							
Current Services	37,616	74,214	80,490	339,268	635,404	732,542	97,138
Total Revenue	37,616	74,214	80,490	339,268	635,404	732,542	97,138
Local Cost	(52,953)	(14,484)	(149,961)	420,457	337,000	316,000	(21,000)
Budgeted Staffing					18.2	18.5	0.3

Salaries and benefits of \$1,784,656 fund 18.5 positions, increasing a Contract Nurse Practitioner from 0.2 to 0.5 budgeted staffing over last year. Costs have decreased by \$46,116 primarily due to a \$38,911 reduction in workers' compensation charges and other rate adjustments.

Services and supplies of \$833,913 include the cost to provide medical exams and other health related services. Costs have increased by \$153,143 over last year primarily due to the opening of the High Desert Center and now providing services at both the Colton and High Desert locations. These costs will be directly offset by an increase in revenue.

Transfers of \$250,553 are for administrative support from Human Resources, Employee Benefits and Services, and lease costs for the High Desert facility which were not included in the 2006-07 budget.





Reimbursements of \$1,832,200 are based on budgeted staffing and are collected from all county departments to fund the CEHW programs. The \$233,154 increase is the result of a Board approved rate change.

Health fee revenue of \$732,542 includes revenue for fee based services such as physical examinations and vaccinations. The \$97,138 increase is the result of Board approved fee adjustments to recover the actual costs of providing services.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of county employees working in the High Desert treated by the Center for Employee Health and Wellness.	25%	10%	50%



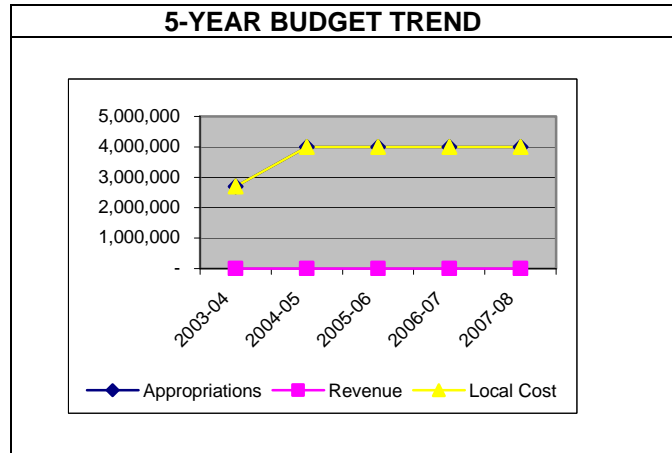
## Unemployment Insurance

### DESCRIPTION OF MAJOR SERVICES

This is a mandated program based upon a 1978 amendment to the California Unemployment Insurance Code extending unemployment insurance benefits to all public employees. Management's objective for the program is cost containment. Unemployment insurance claims filed by former county employees are monitored, reviewed for eligibility, and challenged when appropriate to prevent abuse of the program.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

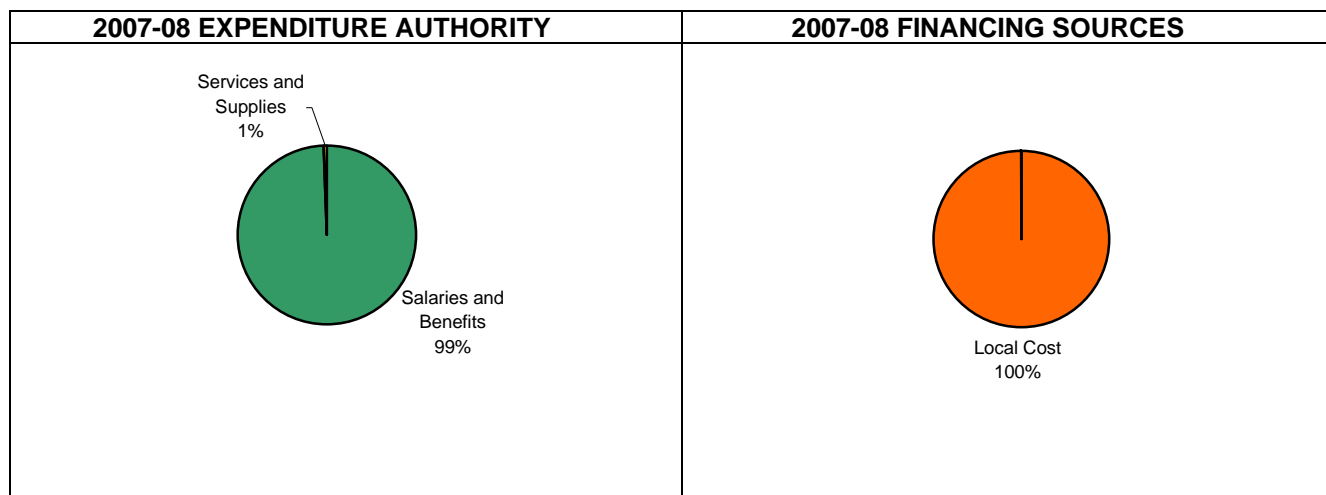


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	3,694,366	3,199,827	2,942,702	4,000,000	3,485,590
Departmental Revenue	-	-	-	-	-
Local Cost	3,694,366	3,199,827	2,942,702	4,000,000	3,485,590

Appropriation in 2006-07 is estimated to be less than modified budget due to reduced program costs as a result of a more aggressive approach by the county in pursuing protestable claims.

## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Human Resources - Unemployment Insurance  
FUND: General

BUDGET UNIT: AAA UNI  
FUNCTION: General  
ACTIVITY: Personnel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	3,632,866	3,138,327	2,876,202	3,410,590	3,925,000	3,959,100	34,100
Services and Supplies	11,500	11,500	16,500	25,000	25,000	25,000	-
Transfers	50,000	50,000	50,000	50,000	50,000	16,400	(33,600)
Total Appropriation	3,694,366	3,199,827	2,942,702	3,485,590	4,000,000	4,000,500	500
Local Cost	3,694,366	3,199,827	2,942,702	3,485,590	4,000,000	4,000,500	500

Salaries and benefits of \$3,959,100 represent anticipated unemployment claims to be paid during 2007-08. Due to the reorganization of the Human Resources Department, this budget unit will realize a decrease in administrative charges owed to the Employee Benefits and Services division. Therefore, the transfers for 2007-08 have decreased and the difference was moved to salaries and benefits to pay for potential claims.

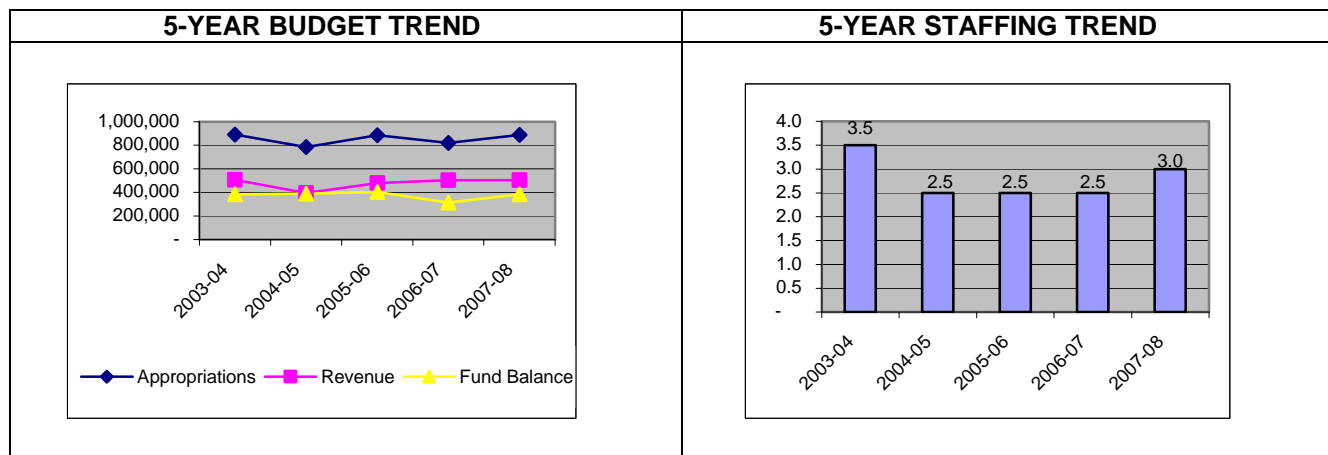


## Commuter Services

### DESCRIPTION OF MAJOR SERVICES

The Commuter Services fund was established to account for funds received under AB 2766 to finance mobile source air pollution reduction programs. AB 2766 authorizes air pollution control districts to levy fees on motor vehicles to be used to reduce air pollution. Under this program, the Department of Motor Vehicles collects fees and remits amounts to the appropriate Air Quality Management District (AQMD) for vehicles registered within the district. This fund receives AB 2766 funding from both the South Coast Air Quality Management District (SCAQMD) and the Mojave Desert Air Quality Management District (MDAQMD).

### BUDGET HISTORY



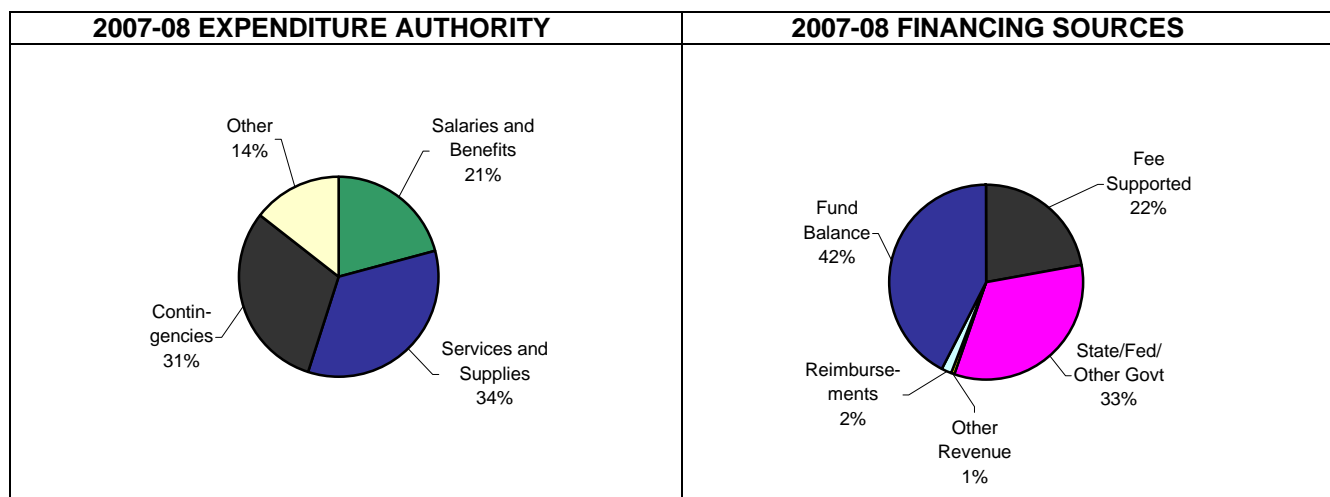
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	440,299	492,575	480,502	819,594	473,747
Departmental Revenue	445,726	506,086	391,122	505,000	543,270
Fund Balance				314,594	
Budgeted Staffing				2.5	

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, expenditures in this budget unit are typically less than budget. The amount not expended in 2006-07 has been re-appropriated in the 2007-08 budget.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Human Resources  
**FUND:** Commuter Services

**BUDGET UNIT:** SDF HRD  
**FUNCTION:** General  
**ACTIVITY:** Personnel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	249,382	135,224	123,049	147,105	151,750	188,358	36,608
Services and Supplies	170,224	226,684	265,419	288,884	292,093	307,050	14,957
Central Computer	-	-	-	3,370	3,370	2,688	(682)
Vehicles	-	-	59,828	-	-	90,000	90,000
Transfers	20,693	130,667	42,206	44,388	91,741	40,479	(51,262)
Contingencies	-	-	-	-	290,640	276,842	(13,798)
Total Exp Authority	440,299	492,575	490,502	483,747	829,594	905,417	75,823
Reimbursements	-	-	(10,000)	(10,000)	(10,000)	(16,300)	(6,300)
Total Appropriation	440,299	492,575	480,502	473,747	819,594	889,117	69,523
<b>Departmental Revenue</b>							
Use Of Money and Prop	6,437	6,442	10,124	9,311	5,000	5,000	-
State, Fed or Gov't Aid	380,083	310,879	220,578	327,948	300,000	300,000	-
Current Services	59,206	168,205	180,980	203,399	200,000	200,000	-
Other Revenue	-	20,560	(20,560)	2,612	-	-	-
Total Revenue	445,726	506,086	391,122	543,270	505,000	505,000	-
Fund Balance					314,594	384,117	69,523
Budgeted Staffing					2.5	3.0	0.5

Salaries and benefits of \$188,358 fund 3.0 positions and are increasing by \$36,608 primarily resulting from an increase of 0.5 budgeted staffing and other costs associated with MOU and retirement rate adjustments.

Services and supplies of \$307,050 include training, office expenses, and charges for operating van pools. The \$14,957 increase reflects the expenditures for bus passes, gas cards, and the ongoing marketing campaign to increase employee participation in Commuter Services programs.



In 2007-08, Commuter Services anticipates purchasing three additional vehicles in the amount of \$90,000 for the van pool program. The current van pool fleet is at capacity and there is a waiting list of employees who are interested in ridesharing.

In addition, transfers of \$40,479 for administrative oversight have decreased by \$51,262 due to the reorganization of the Human Resources Department which resulted in several operational efficiencies. Program reimbursements of \$16,300 have increased by \$6,300 to accurately reimburse staff time spent on the Suggestion Awards Committee.

Contingencies of \$276,842 have decreased by \$13,798 based on the estimated fund balance.

Revenue of \$505,000 is from payroll deductions from employees who participate in the van pool and rideshare programs as well as funds from the Air Quality Management Districts for the Commuter Services program.

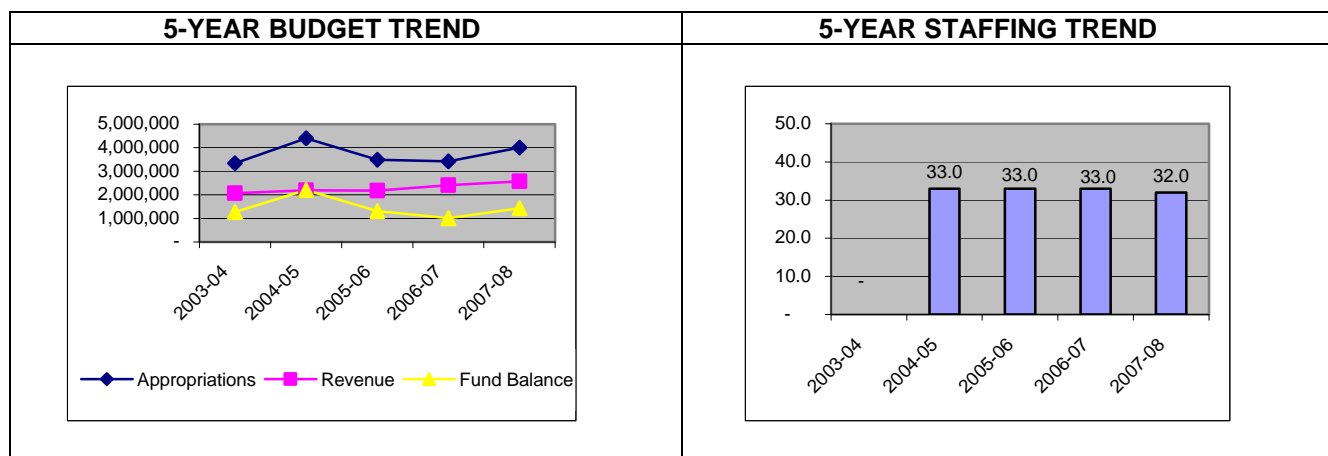


## Employee Benefits and Services

### DESCRIPTION OF MAJOR SERVICES

Employee Benefits and Services, under the direction of the Human Resources Department, administers the County's health, dental, vision, and life insurance plans as well as its integrated leave programs.

### BUDGET HISTORY



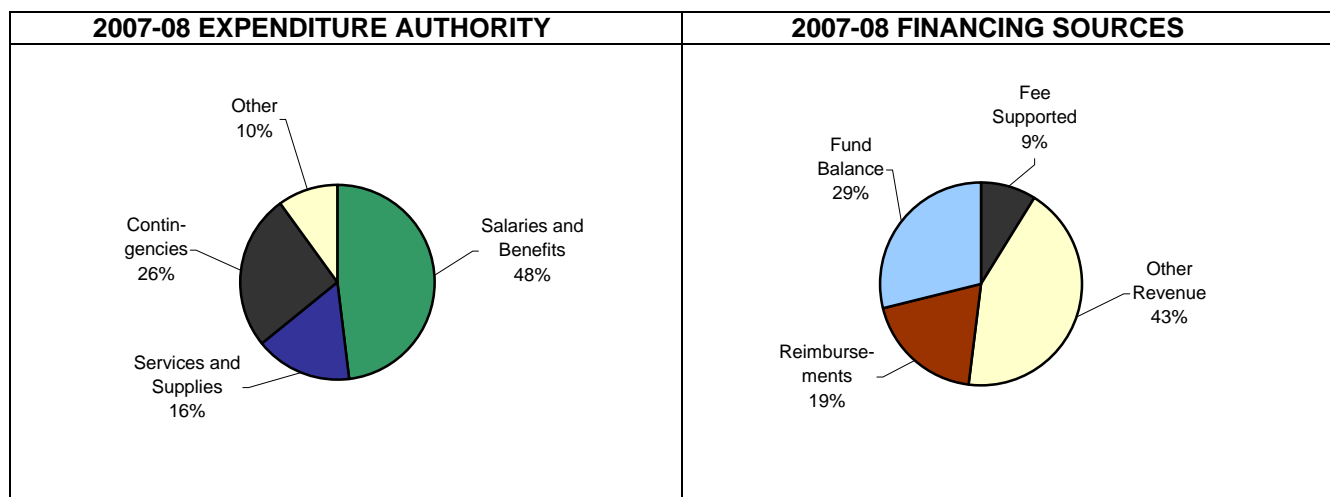
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,097,531	2,568,858	2,438,061	3,413,873	1,997,479
Departmental Revenue	3,039,740	1,666,070	2,136,691	2,410,017	2,426,846
Fund Balance				1,003,856	
Budgeted Staffing				33.0	

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, expenditures in this fund are typically less than budget. The amount not expended in 2006-07 has been re-appropriated in the 2007-08 budget.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Human Resources  
FUND: Employee Benefits and Services

BUDGET UNIT: SDG HRD  
FUNCTION: General  
ACTIVITY: Personnel

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	-	1,830,609	1,795,060	2,044,351	2,197,785	2,371,288	173,503
Services and Supplies	-	640,812	553,733	708,983	1,115,493	780,099	(335,394)
Central Computer	-	-	-	24,434	24,434	26,883	2,449
Transfers	2,097,531	182,737	174,268	204,664	313,301	498,579	185,278
Contingencies	-	-	-	-	747,860	1,271,733	523,873
Total Exp Authority	2,097,531	2,654,158	2,523,061	2,982,432	4,398,873	4,948,582	549,709
Reimbursements	-	(85,300)	(85,000)	(984,953)	(985,000)	(939,052)	45,948
Total Appropriation	2,097,531	2,568,858	2,438,061	1,997,479	3,413,873	4,009,530	595,657
<b>Departmental Revenue</b>							
Use Of Money and Prop	95,549	48,944	40,515	19,298	10,000	30,000	20,000
Current Services	1,200,092	1,058,970	468,865	1,289,287	1,565,017	437,000	(1,128,017)
Other Revenue	1,744,099	475,679	1,627,311	1,118,261	835,000	2,109,307	1,274,307
Other Financing Sources	-	82,477	-	-	-	-	-
Total Revenue	3,039,740	1,666,070	2,136,691	2,426,846	2,410,017	2,576,307	166,290
Fund Balance					1,003,856	1,433,223	429,367
Budgeted Staffing					33.0	32.0	(1.0)

Salaries and benefits of \$2,371,288 fund 32.0 positions, a decrease of 1.0 position from last year. The \$173,503 increase represents costs associated with MOU and retirement rate adjustments. The staffing reduction results from a departmental reorganization to create better efficiency and increase service levels. The Employee Benefits and Services division (EBSD) recommends the following changes:

- transfer of 3.0 fiscal positions to Human Resources (AAA HRD), with corresponding reimbursement, to align fiscal functions within the department;
- the addition of 1.0 Supervising Office Specialist to supervise a unit of Office Specialists rather than having the function performed by a Human Resources Analyst;
- the addition of 1.0 Human Resources Analyst II to oversee the Employee Benefits operation;





- downgrade of 2.0 vacant Human Resources Analyst Is (pay range 58) to Supervising Office Specialists (pay range 43) to supervise daily operations of Office Specialists within the unit and better align job functions with classification;
- downgrade of 1.0 Human Resources Officer II (pay range 71) to a Human Resources Analyst III (pay range 71) to assist the Employee Benefits Chief with daily operations and strategic planning.

Services and supplies of \$780,099 include the costs of consulting services, general office expense, training, and other expenses associated with operations. The decrease of \$335,394 over last year is due to an anticipated decline in consulting services.

Transfers of \$498,579 have increased by \$185,278 to fund administrative charges and salary reimbursements due to Human Resources, County Counsel, and the Center for Employee Health and Wellness.

Reimbursements of \$939,052 include the departmental recharge implemented in 2006-07 and administrative support from the Unemployment Insurance and Center for Employee Health and Wellness budget units.

Contingencies of \$1,271,733 have increased by \$523,873 based on the estimated fund balance.

Revenue of \$2,576,307 represents consultant and administrative trust fund reimbursements, the ING allocation for the administration of the salary savings plan, and revenue received from the Courts for services provided.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Completion rate (%) for the Health Risk Assessment (HRA).	NEW	2%	15%



## INFORMATION SERVICES

### Stephen Hall

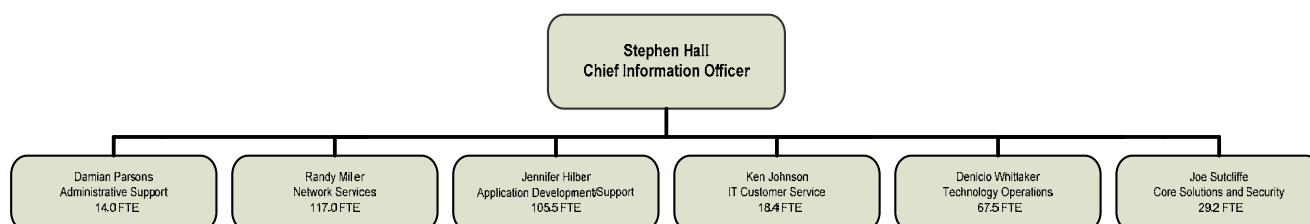
#### MISSION STATEMENT

The Information Services Department (ISD) provides secure, innovative, contemporary, and accessible technology in computer, media, and communication services in the most cost effective manner, to enable departments and agencies to accomplish the mission of San Bernardino County.

#### STRATEGIC GOALS

1. Provide technology solutions that enable customers to better serve the citizens of the county.
2. Improve customer satisfaction by delivering business products and services that exceed customer expectations.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2007-08					
	Operating Exp/ Appropriation	Revenue	Local Cost	Revenue Over/ (Under) Exp	Staffing
<b><u>General Fund</u></b>					
Application Development	16,522,875	4,693,984	11,828,891		106.5
Total General Fund	16,522,875	4,693,984	11,828,891		106.5
<b><u>Internal Service Funds</u></b>					
Computer Operations	19,833,314	20,925,442		1,092,128	134.0
Network Services	23,844,283	24,300,991		456,708	118.0
800 MHz - Rebanding Project	25,000	25,000		-	-
Total Internal Service Funds	43,702,597	45,251,433		1,548,836	252.0
<b>Total - All Funds</b>	60,225,472	49,945,417	11,828,891	1,548,836	358.5

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.

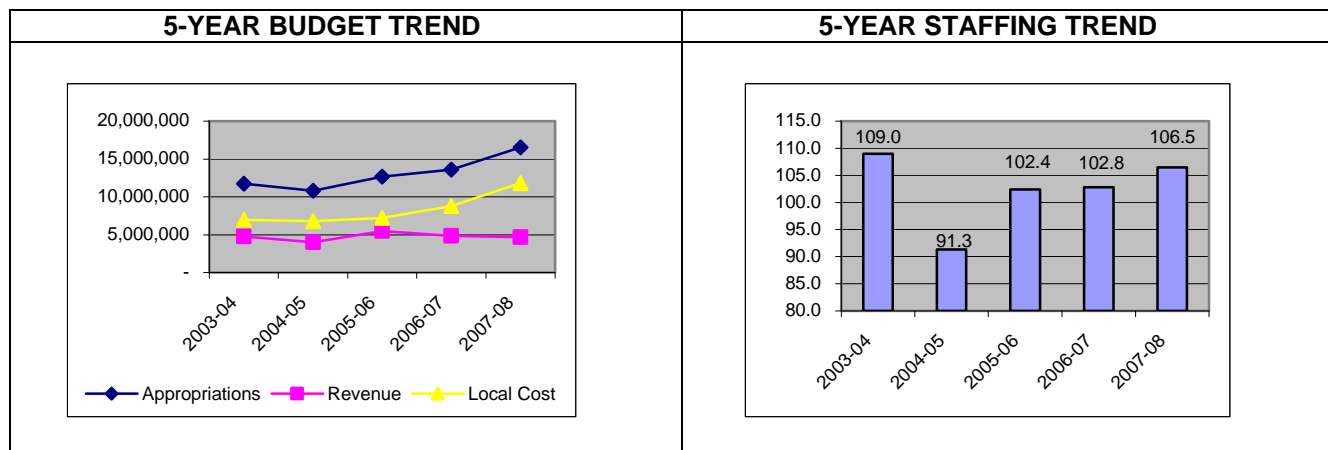


## Application Development

### DESCRIPTION OF MAJOR SERVICES

The Application Development and Support division provides support for county departments as they develop, enhance, and maintain business applications on a variety of hardware and software platforms. These applications include the county's enterprise accounting, payroll, budget, personnel, document imaging, public web sites, geographical information system (GIS) and many other business line systems. ISD consults with departments to identify cost effective ways of conducting business and often provides business process reviews, cost analysis, and overall recommendations in the acquisition and integration of new systems.

### BUDGET HISTORY



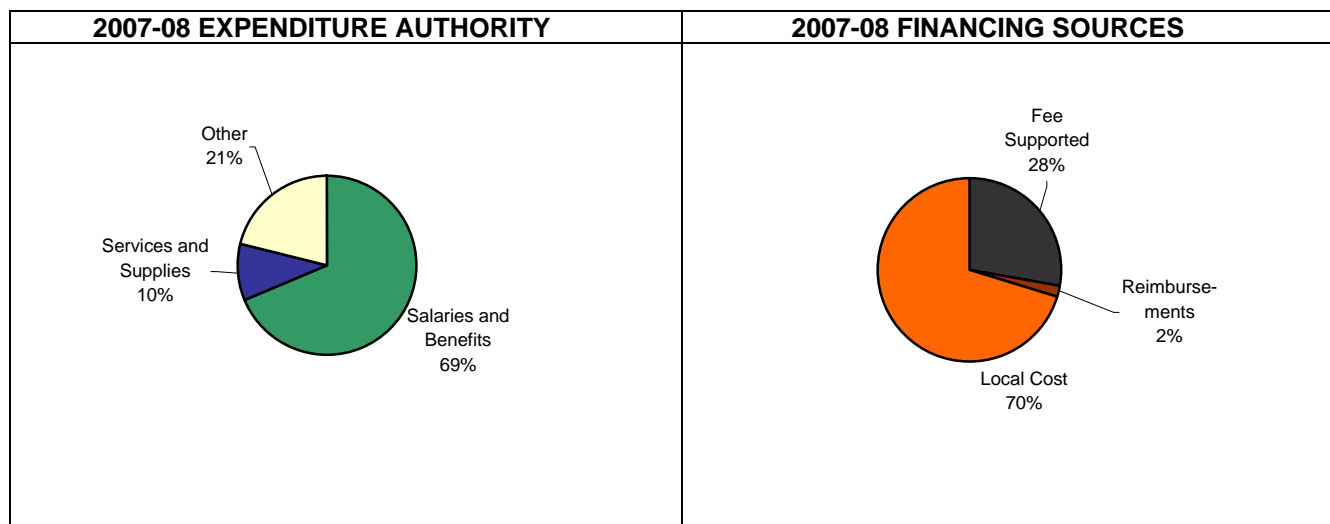
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	11,238,518	11,379,978	12,049,561	13,738,570	12,475,575
Departmental Revenue	4,714,095	5,097,687	4,343,792	4,890,161	3,635,558
Local Cost	6,524,423	6,282,291	7,705,769	8,848,409	8,840,017
Budgeted Staffing				102.8	

In 2006-07, this budget unit is projecting salary savings of approximately \$1.3 million due to a high vacancy factor resulting from difficulties in recruiting Programmer Analysts. This difficulty is a statewide trend in recruiting for government related information technology positions. Services and supplies expenditures are also trending lower than budget due to reduced staffing and the associated decrease in purchases of equipment and consumable supplies. The revenue shortfall is estimated at \$1.2 million due to reduced billable hours which is directly attributable to the high vacancy factor.



## ANALYSIS OF PROPOSED BUDGET



**GROUP: Administrative/Executive**  
**DEPARTMENT: Information Services**  
**FUND: General**

**BUDGET UNIT: AAA SDD**  
**FUNCTION: General**  
**ACTIVITY: Other**

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	9,266,994	9,422,399	9,683,382	9,583,102	10,875,315	11,547,166	671,851
Services and Supplies	1,351,144	1,115,439	1,431,521	1,826,994	2,161,608	1,541,924	(619,684)
Central Computer	98,672	181,466	170,914	154,896	154,896	202,427	47,531
Other Charges	83	-	-	-	-	-	-
Equipment	-	-	32,852	-	-	-	-
L/P Struct/Equip/Vehicle:	4,458	-	-	-	-	-	-
Transfers	517,167	660,674	730,892	1,026,583	686,470	1,107,322	420,852
Total Exp Authority	11,238,518	11,379,978	12,049,561	12,591,575	13,878,289	14,398,839	520,550
Reimbursements	-	-	-	(116,000)	(283,253)	(316,740)	(33,487)
Total Appropriation	11,238,518	11,379,978	12,049,561	12,475,575	13,595,036	14,082,099	487,063
Operating Transfers Out	-	-	-	-	-	2,440,776	2,440,776
Total Requirements	11,238,518	11,379,978	12,049,561	12,475,575	13,595,036	16,522,875	2,927,839
<b>Departmental Revenue</b>							
Current Services	4,714,095	5,097,687	4,343,792	3,635,558	4,832,240	4,693,984	(138,256)
Total Revenue	4,714,095	5,097,687	4,343,792	3,635,558	4,832,240	4,693,984	(138,256)
Local Cost	6,524,423	6,282,291	7,705,769	8,840,017	8,762,796	11,828,891	3,066,095
Budgeted Staffing					102.8	106.5	3.7

Salaries and benefits of \$11,547,166 fund 106.5 positions and are increasing by \$671,851 primarily resulting from the transfer of 3.7 multimedia services positions in the amount of \$322,286 from the Network Services budget unit. These positions will continue to provide multimedia support to the County government center. The remaining increase results from other costs associated with termination benefits, MOU and retirement rate adjustments.

Services and supplies of \$1,541,924 primarily include computer software, maintenance, and support; contract programming services; workstation equipment replacement; and training costs. The decrease of \$619,684 is due



to a budgetary change to recognize general fund financing of 800 MHz radios as an operating transfer out. In addition, advertising and position related costs are now being reflected as transfers. This reduction is offset by increases in costs for materials and equipment for multimedia services, property insurance, software, and outside vendor programming services.

Transfers of \$1,107,322 primarily include internal administrative costs and Human Resources services. The \$420,852 increase is due to accounting for a Systems Support Analyst III and advertising costs as transfers rather than expenditures, increased multimedia services administrative staff overhead and EH&P charges.

Reimbursements of \$316,740 include \$132,000 for a Programmer III for the Auditor/Controller-Recorder, formerly recognized as revenue, and \$184,740 from Arrowhead Regional Medical Center for the ISD Health Care Services Division Chief. The \$116,000 reimbursement ISD received for the CAFM Programmer Analyst III in 2006-07 has been removed as the general fund financing for this position was provided directly to ISD, therefore, the reimbursement is no longer required.

Operating transfers out in the amount of \$2.4 million represent general fund financing of the 800 MHz radio program. In 2006-07, the general fund contributed approximately \$472,000 for the 800 MHz program. As a result of a Board approved rate increase, the general fund is now financing an additional \$1.97 million, of which \$1.56 million is ongoing funding. The general fund is financing a one-time contribution of \$408,000 for non-general fund and outside agency radio programs.

Revenues of \$4,693,984 mainly consist of systems development charges and GIS programming and subscription services. The \$138,256 decrease is due to a declining need for system development services.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of backlog projects completed (40 as of 2006-07).	New	0%	10%
Percentage of customers requesting application upgrades deployed that are compatible with Windows Vista (Microsoft's latest computer operating system) and Microsoft Office 2007.	New	0%	100%
Percentage of data conversion from the existing coverage format to the latest Spatial Database Engine format that has been completed.	75%	75%	75%

POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost	Proposed 2007-08 Performance Measurement
	Spatial Database Engine	-	202,500	-	202,500	
	Upgrade of GIS and storage capacity to enable completion of data conversion from the existing coverage format to the latest Spatial Database Engine format.					
	Percentage of data conversion to Spatial Database Engine format.					100%
	<b>Total</b>	<b>-</b>	<b>202,500</b>	<b>-</b>	<b>202,500</b>	



## Computer Operations

### DESCRIPTION OF MAJOR SERVICES

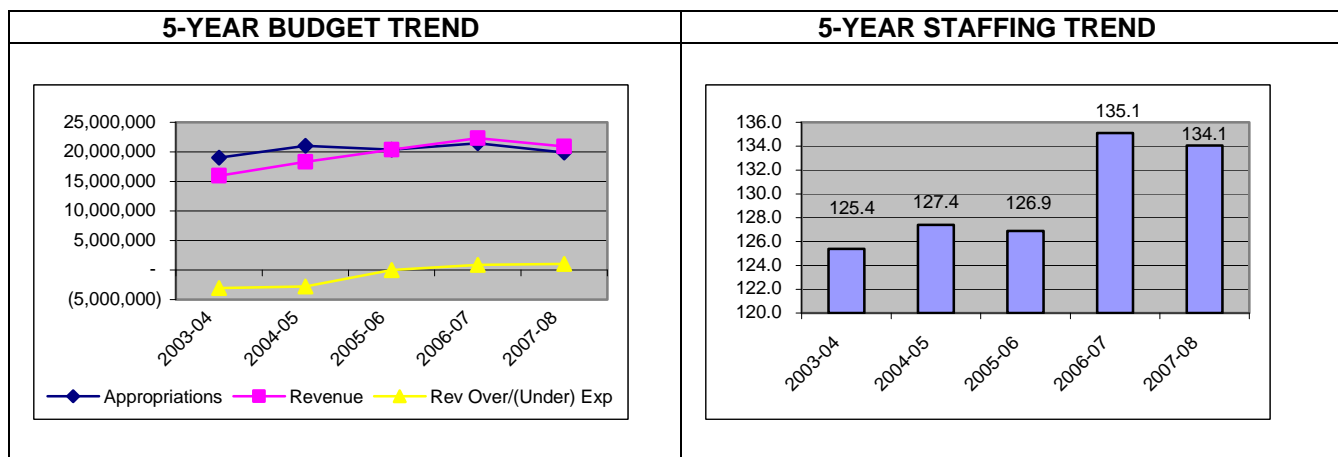
The Computer Operations division provides enterprise data center services and a portion of the county's communications services to county departments on a 24/7 basis. The division is comprised of 3 sections: Technology Operations, Information Technology (IT) Customer Service, and Core Solutions and Security. This budget unit is an internal service fund, which allows for net assets available at fiscal year end to be carried over to the next fiscal year to be used as working capital or for replacement of fixed assets.

Technology Operations provides for the design, operation, maintenance and administration of the county's Enterprise Data Center which supports the county's mainframe and includes server management for over 160 servers, integrated document imaging infrastructure for digitizing paper records, and print operations for bulk printing functions required by the county.

IT Customer Service assists departments in ensuring that their technology and business objectives are achieved. The division provides a Technology Support Center to handle service requests and problem tickets and IT Account Representatives to coordinate and assist departments in meeting their business and technology objectives.

Core Solutions and Security provides the county with global email, security direction and technology policies and procedures, along with technical services that support desktop communications and functions across the county.

### BUDGET HISTORY



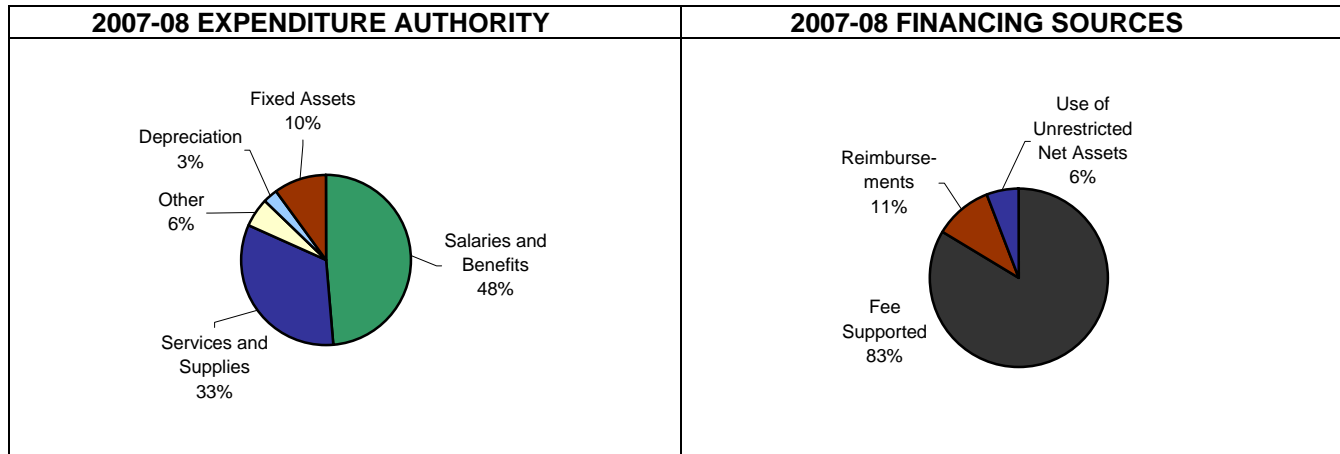
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	19,490,505	22,587,930	19,831,935	21,465,435	20,171,831
Departmental Revenue	15,591,310	18,671,682	19,766,319	22,323,795	22,265,661
Revenue Over/(Under) Exp	(3,899,195)	(3,916,248)	(65,616)	858,360	2,093,830
Budgeted Staffing				135.1	
Fixed Assets	413,665	1,340,486	1,115,422	1,592,069	1,592,069
Unrestricted Net Assets Available at Year End	6,159,224	2,770,201	2,568,343		4,139,725

In 2006-07, estimated appropriation is below the current modified budget due to difficulty in recruiting IT positions, decreases in service demand and associated expenditures for IT products. Departmental revenue is also trending slightly under budget due to a decrease in demand for desktop support and document imaging.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: Computer Operations

BUDGET UNIT: IAJ ALL  
FUNCTION: General  
ACTIVITY: Other

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	8,854,811	9,527,099	10,124,342	10,768,820	11,997,269	12,169,300	172,031
Services and Supplies	10,543,112	12,192,843	9,754,441	9,793,856	9,632,406	8,285,768	(1,346,638)
Other Charges	11,349	3,517	113	10,500	10,500	45,414	34,914
Transfers	661,085	669,463	946,239	1,044,128	1,001,684	1,375,310	373,626
Total Exp Authority	20,070,357	22,392,922	20,825,135	21,617,304	22,641,859	21,875,792	(766,067)
Reimbursements	(1,488,194)	(1,738,904)	(2,059,226)	(2,294,256)	(2,025,207)	(2,695,152)	(669,945)
Total Appropriation	18,582,163	20,654,018	18,765,909	19,323,048	20,616,652	19,180,640	(1,436,012)
Depreciation	908,342	831,094	953,991	848,783	848,783	706,785	(141,998)
Operating Transfers Out	-	1,102,818	112,035	-	-	-	-
Total Requirements	19,490,505	22,587,930	19,831,935	20,171,831	21,465,435	19,887,425	(1,578,010)
<b>Departmental Revenue</b>							
Current Services	15,582,972	18,294,507	19,482,196	22,265,661	22,323,795	20,925,442	(1,398,353)
Other Revenue	38	(121,280)	48,833	-	-	-	-
Other Financing Sources	8,300	454,128	-	-	-	-	-
Total Revenue	15,591,310	18,671,682	19,531,029	22,265,661	22,323,795	20,925,442	(1,398,353)
Operating Transfers In	-	-	235,290	-	-	-	-
Total Financing Sources	15,591,310	18,671,682	19,766,319	22,265,661	22,323,795	20,925,442	(1,398,353)
Rev Over/(Under) Exp	(3,899,195)	(3,916,248)	(65,616)	2,093,830	858,360	1,038,017	179,657
Budgeted Staffing					135.1	134.1	(1.0)
<b>Fixed Assets</b>							
Equipment	122,201	1,175,154	1,089,901	1,381,069	1,381,069	2,259,639	878,570
L/P Equipment	291,464	165,332	25,521	211,000	211,000	218,207	7,207
Total Fixed Assets	413,665	1,340,486	1,115,422	1,592,069	1,592,069	2,477,846	885,777

In 2007-08, the wide area network (WAN) program will be transferred from Computer Operations to the Network Services budget unit to better align communication related programs and management. The WAN is an integrated telecommunications network that provides connectivity to all county offices and is the gateway for non-county agencies to access county resources such as law enforcement and other government agencies.

Salaries and benefits of \$12,169,300 fund 134.1 positions and are increasing by \$172,031. This change represents increases in costs associated with MOU and retirement rate adjustments. In addition, 5.1 Wide Area



Network (WAN) positions are being transferred to the Network Services budget unit to better align program services with management. This staffing and cost decrease is offset by the following staffing changes:

- the addition of 1.0 Product Specialist for wireless device and cell phone customer service;
- the addition of 1.0 System Support Analyst III for support of the GIS servers and storage;
- the transfer in of 1.0 Programmer Analyst III from the general fund for system support and analysis of the active directory and exchange server system;
- the addition of 1.0 Office Assistant II due to increased imaging workload from 2006-07;
- the reclassification of an extra help Office Assistant II to regular status to manage ongoing workload needs;
- the reclassification of an IT Account Representative I to an IT Account Representative II as the skill and responsibility needed for this position have increased.

Services and supplies of \$8,285,768 include costs for computer software, training, disaster recovery services, systems development charges, and equipment maintenance. The decrease of \$1,346,638 is primarily due to the transfer of WAN services and supplies costs to the Network Services budget unit. This decrease is offset by cost increases associated with inflation, COWCAP, risk management, general maintenance, and router replacement costs.

Interest of \$45,414 represents the interest of \$27,760 for the lease-purchase of the enterprise printer and \$17,654 for the lease-purchase of a back-up generator.

Transfers of \$1,375,310 are for internal administrative allocations and Human Resources charges. The increase of \$373,626 is due to MOU and inflation increases and the \$79,571 transfer to Network Services for costs related to the new IT operational support system (SPOE).

Reimbursements of \$2,695,152 represent reimbursements for internal administrative costs and other position related costs from ISD's other budget units. The increase of \$669,945 includes \$330,948 for Systems Support Analysts that were previously reflected in revenue, \$56,556 for additional IT support for the Board of Supervisors, \$31,000 for the purchase of wireless infrastructure servers at the county government center, and other MOU and inflationary increases.

Depreciation of \$706,785 is decreasing by \$141,998 primarily due to the transfer of \$368,769 in depreciation to the Network Services budget unit for the WAN program and an increase of \$220,792 per the department's depreciation schedule.

Current service revenue of \$20,925,442 is comprised primarily of central computer revenues. The decrease of \$1,398,353 results from the transfer of approximately \$3.5 million in WAN budget revenue to the Network Services budget unit, the loss of \$463,343 in one-time revenue from Human Services for the replacement of end-of-life routers, and recognizing \$330,948 as reimbursements. This decrease is partially offset by a \$2.9 million increase resulting from rate changes approved by the Board on March 13, 2007.

Equipment purchases of \$2,259,639 represent \$1,013,639 for equipment replacement and \$846,000 for new equipment needs (detailed below). In addition, ISD is budgeting \$400,000 for unplanned customer requests to be expended only as needed and reimbursed by the requesting customer. Lease-purchase equipment costs of \$218,207 include \$205,482 for the enterprise printer and \$12,725 for the back-up generator. New fixed asset purchases include:

- \$100,000 for the Z890 mainframe server;
- \$28,000 for OSA Cards;
- \$20,000 for Cisco IDS sensors;
- \$55,000 for network equipment;
- \$31,000 for government center wireless network equipment;
- \$70,000 for network application switches;
- \$50,000 for a fiber switch;
- \$100,000 for SQL 2005 infrastructure;
- \$50,000 for Team Foundation servers;
- \$111,000 for VMWare servers and \$151,000 for VMWare disk storage; and
- \$80,000 for GIS storage.





PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Complete migration of ISD user accounts to Active Directory and offer Active Directory to other county departments (315 user accounts).	100%	100%	N/A
Complete migration of ISD customer departments in Active Directory to latest Microsoft Exchange environment.	50%	75%	100%
Percentage decrease of Windows physical servers (150 servers in 2005).	8%	13%	20%
Percentage increase of public viewing of documents stored on our infrastructure.	10%	0%	10%
Satisfaction rating from random product and service satisfaction surveys.	70%	70%	75%
Satisfaction rating from yearly billing satisfaction survey.	New	70%	75%
Success rate of applications deployed to production environment after review by quality assurance.	New	New	98%

As part of the ISD's goal to provide technology solutions that enable customers to better serve the citizens of the county, the Computer Operations division will meet its 2006-07 performance measure to migrate 100% of ISD user accounts to the Active Directory and offer Active Directory to other county departments. The division will exceed the performance measure to migrate 50% of all ISD customer departments in Active Directory to the latest Microsoft Exchange environment. Computer Operations will also exceed the estimated 8% decrease of Windows physical servers. The department will meet the performance measure to attain a 70% satisfaction rating for the random product and service satisfaction surveys and the yearly billing satisfaction surveys. In 2007-08, Computer Operations has implemented a new performance measure to obtain a 98% success rate for applications deployed to a production environment after review by the quality assurance unit.

POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/(Under) Exp	Proposed 2007-08 Performance Measurement
1	Off-site Disaster Recovery Infrastructure To design and implement an off-site disaster recovery system for mission critical Intel-Based platforms/applications. \$143,311 for annual circuit costs, hardware, and installation; \$758,723 in fixed asset infrastructure costs.	-	902,034	-	(902,034)	
	<i>Percentage of disaster recovery site completed</i>					100%
	<b>Total</b>	-	902,034	-	(902,034)	

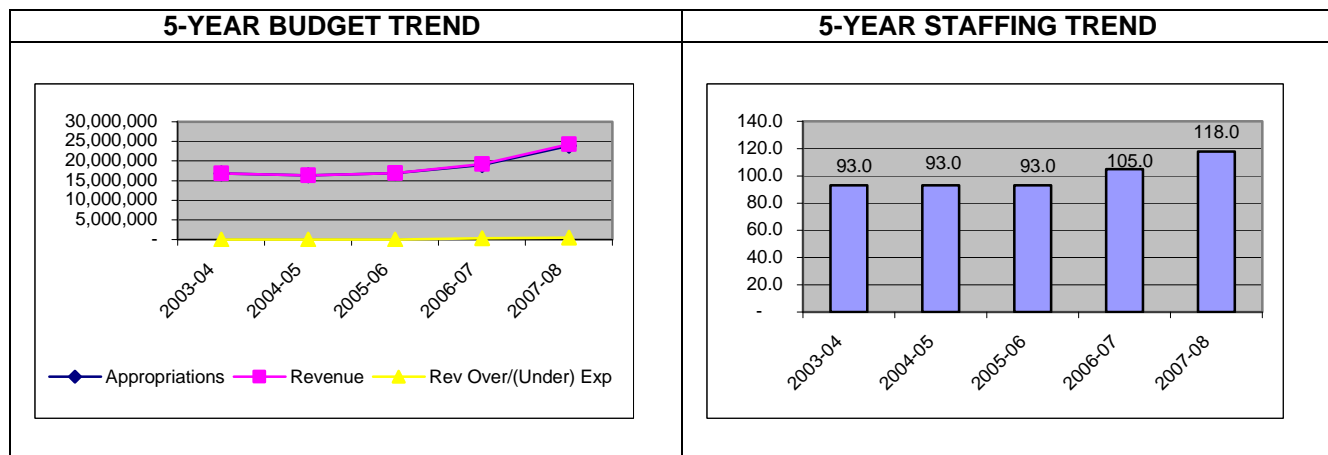


## Network Services

### DESCRIPTION OF MAJOR SERVICES

The Network Services division provides for the design, operation, maintenance and administration of the largest county-operated telecommunications phone network in the country; the county's Regional Public Safety Radio System that integrates all countywide sheriff, police and fire emergency radio dispatch capabilities; the paging system that consists of over 7,000 pagers; and the Wide Area Network (WAN) that securely joins approximately 18,000 county users together for the efficient use of technology. ISD manages a countywide microwave system (64 sites) that helps provide transport capabilities for each of the individual systems listed above.

### BUDGET HISTORY



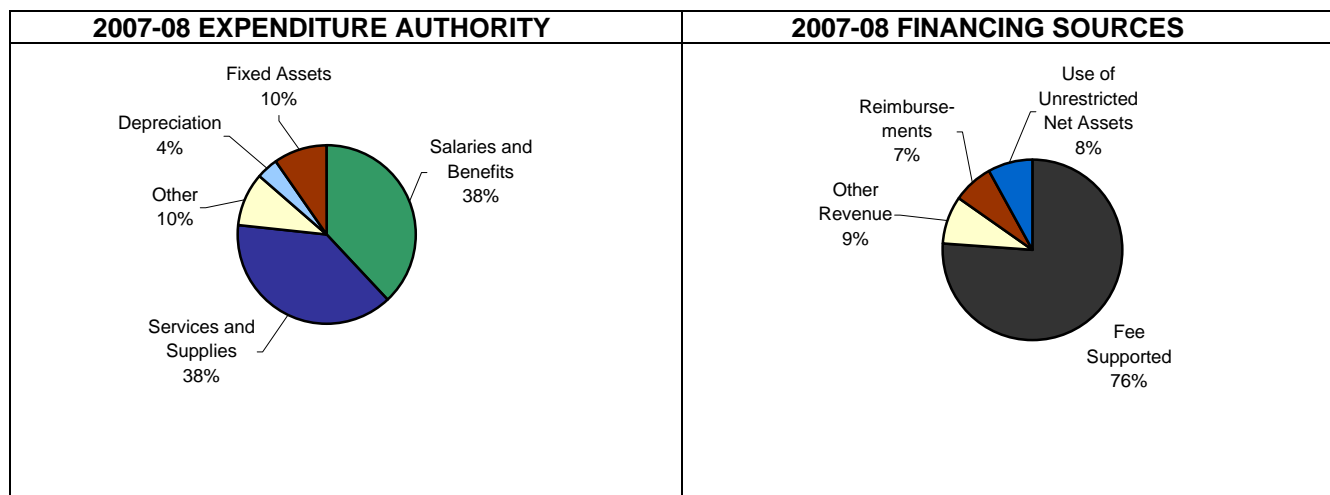
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	16,247,767	17,490,016	17,033,608	19,459,219	18,207,232
Departmental Revenue	17,446,734	17,077,134	18,937,847	19,772,778	18,825,385
Revenue Over/(Under) Exp	1,198,967	(412,882)	1,904,239	313,559	618,153
Budgeted Staffing				105.0	
Fixed Assets	912,288	627,582	1,592,092	1,867,998	1,854,998
Unrestricted Net Assets Available at Year End	1,784,101	4,969,242	7,278,886		6,658,312

In 2006-07, estimated appropriation is less than the modified budget due to vacant position salary savings resulting from difficulties in recruiting 800 MHz Radio Technicians and Communication Installers. Services and supplies are projected under budget due to decreased service demand and associated expenditures for communication repair parts, small tools, and equipment. In addition, system development charges will be decreased as the attainment of the new IT operational support system (SPOE) was delayed. Departmental revenue is expected to be under realized resulting from decreases in service demand for telephone, communication time and material billings for installation and electronic maintenance services for County departments.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Information Services  
 FUND: Network Services

BUDGET UNIT: IAM ALL  
 FUNCTION: General  
 ACTIVITY: Other General

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	6,669,020	7,497,144	7,564,905	8,696,818	9,379,449	10,930,034	1,550,585
Services and Supplies	7,256,728	7,681,519	8,375,805	8,214,806	8,238,214	10,998,896	2,760,682
Central Computer	38,616	49,040	58,296	67,487	67,487	81,084	13,597
Other Charges	27,371	6,043	370	-	-	-	-
Transfers	2,964,326	1,715,756	1,819,285	2,450,072	2,409,164	2,646,216	237,052
Total Exp Authority	16,956,061	16,949,502	17,818,662	19,429,183	20,094,314	24,656,230	4,561,916
Reimbursements	(2,459,489)	(1,233,251)	(1,328,090)	(1,851,222)	(1,779,653)	(2,059,013)	(279,360)
Total Appropriation	14,496,572	15,716,251	16,490,572	17,577,961	18,314,661	22,597,217	4,282,556
Depreciation	1,751,195	766,865	543,036	629,271	629,271	1,147,066	517,795
Operating Transfers Out	-	1,006,900	-	-	-	100,000	100,000
Total Requirements	16,247,767	17,490,016	17,033,608	18,207,232	18,943,932	23,844,283	4,900,351
<b>Departmental Revenue</b>							
Fines and Forfeitures	-	1,455	-	-	-	-	-
Use Of Money and Prop	110	15	47,823	33,972	-	30,000	30,000
Current Services	17,446,624	17,039,043	18,847,360	18,769,398	19,244,491	21,830,215	2,585,724
Other Revenue	-	18,073	42,663	22,015	-	-	-
Other Financing Sources	-	18,548	-	-	-	-	-
Total Revenue	17,446,734	17,077,134	18,937,847	18,825,385	19,244,491	21,860,215	2,615,724
Operating Transfers In	-	-	-	-	-	2,440,776	2,440,776
Total Financing Sources	17,446,734	17,077,134	18,937,847	18,825,385	19,244,491	24,300,991	5,056,500
Rev Over/(Under) Exp	1,198,967	(412,882)	1,904,239	618,153	300,559	456,708	156,149
Budgeted Staffing					105.0	118.0	13.0
<b>Fixed Assets</b>							
Land	-	-	-	-	-	200,000	200,000
Equipment	218,100	317,393	1,547,480	1,854,998	1,854,998	2,541,769	686,771
Vehicles	-	-	-	-	-	40,000	40,000
L/P Equipment	694,188	310,189	44,612	-	-	-	-
Total Fixed Assets	912,288	627,582	1,592,092	1,854,998	1,854,998	2,781,769	926,771



Salaries and benefits of \$10,930,034 fund 118.0 positions and are increasing by \$1,550,585, primarily resulting from the transfer of 5.1 Wide Area Network (WAN) positions from the Computer Operations budget unit to better align program services and management. Other staffing increases include the addition of:

- 2.5 Communications Technician IIs for time and material communication installation.
- 1.3 Communication Installer due to increased service demand by the Sheriffs Department.
- 1.0 Equipment Parts Supervisor to oversee the parts warehouse function.
- 1.0 Network Control Supervisor to supervise work center functions.
- 1.0 Network Analyst to support increased workload.
- 1.0 Systems Support Analyst III to support the WAN program, funded through rates.
- 2.2 Communications Technician Is to support the radio system, funded through rates.
- 1.0 Staff Analyst II to assist in the administration of radio related services.

The department also requests the reclassification of the following positions:

- A Help Desk Technician II (pay range 42) to an IT Technical Assistant II (pay range 42) to realign job title with function.
- A vacant Office Assistant II (pay range 27) to a Fiscal Specialist (pay range 35) due to a change in job duties and requirements.
- A Communications Technician II (pay range 51) to a Communications Technician III (pay range 54) due to the higher level of skill and responsibility needed to perform the duties of this position.

These increases are offset by the transfer of 2.1 Multimedia Coordinators and 1.0 Network Services Supervisor to the general fund to support the multimedia program at the county government center. Additional salaries and benefit increases include \$97,336 in expected termination benefits, and costs associated with MOU and retirement rate adjustments.

Services and supplies of \$10,998,896 primarily fund telephone and communications related costs and services, and are increasing by \$2,760,682 as a result of the transfer of the WAN function from Computer Operations. Other increases are due to software, insurance, training, and vehicle related costs, and inflation for material and equipment purchases.

Transfers of \$2,646,216 fund internal ISD administration and overhead costs, including costs associated with Human Resources functions. The \$237,052 increase is primarily due to MOU and retirement cost increases.

Reimbursements of \$2,059,013 account for reimbursement of administrative costs by individual service departments within the Network Services budget unit. The increase of \$279,360 includes MOU and retirement related cost increases for administrative staff, reimbursement by the Computer Operations budget unit for the purchase of the IT Operational Support System (SPOE), and share of cost for a Storekeeper position.

Operating transfers out of \$100,000 fund Capital Improvement Program costs for the relocation of 800 MHz staff and equipment to an alternative site due to additional space needs.

Current services revenue of \$21,830,215 includes revenue for telephone, voicemail, 800 number, rack space rental, pager, 800 MHz radio access and subscriber maintenance, communication installation and electronic maintenance labor, and WAN services charges. The \$2,585,724 increase includes WAN program revenue and increased service rates.

Other financing sources of \$2,440,776 represent general fund financing of the 800 MHz radio program.

Fixed assets of \$2,781,769 include maintaining the previous years fixed asset expenditure level of \$1.7 million to replace communication infrastructure equipment including \$325,000 for Trunked Simulcast Conversion equipment and \$154,000 for radio system equipment from Motorola (a sole source vendor), \$346,000 for Digital Audio Cross Connect Systems equipment from Tellabs (a sole source vendor), and \$350,000 for microwave system hardware upgrades from Harris Microwave (a sole source vendor); \$200,000 to acquire land to install an additional microwave site to transmit 800 MHz radio and telephone signals, replacing an existing site that ISD was forced to vacate; \$368,769 for the replacement of end-of-life network system hardware for the Wide Area Network; and \$500,000 for catastrophic events/unplanned requirements to be expended only as needed.



PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage of 800 Mhz site controllers moved to a digital capable and vendor supported platform.	NEW	25%	50%
Percentage of total projected RED radios online (1200 red channel radios).	100%	100%	N/A
Percentage of Internet Protocol (IP) based connections established for telephone usage between the County's main telephone locations.	NEW	10%	100%
Percentage of IP based connections established for telephone usage between the county's main telephone locations and outlying locations.	NEW	0%	50%
Percentage of network that has been reconfigured to fully utilize new link and bandwidth.	NEW	10%	75%

As part of ISD's goal to provide technology solutions that enable customers to better serve the citizens of the county, Network Services will meet its 2006-07 performance measure to bring 100% of the 1,200 RED radios online. This system will enhance 800 MHz valley-wide radio interoperability between various law enforcement agencies.

In 2007-08, Network Services plans to begin migration of the 800 MHz radio system controllers to a digital capable platform and begin establishing Internet Protocol (IP) based connections between the County's main locations and outlying areas to make more efficient use of the County's network and to reduce telecommunication costs. Another objective is to develop a high-capacity alternate route between the San Bernardino Valley and the High Desert to accommodate high-speed data traffic.



## 800 MHz – Rebanding Project

### DESCRIPTION OF MAJOR SERVICES

The Information Services Department (ISD) operates and maintains the county's 800 MHz radio communications system. This system provides county-wide, fully interoperable radio communications by which dispatch centers, public safety locations, mobile and portable radios communicate via voice transmission. This system is primarily for local government agency use, and secondarily for additional governmental and related non-governmental users to facilitate public safety. The users consist of county departments, 24 cities, special districts and several outside agencies. The system supports approximately 15,000 radios used by public safety agencies and public health providers throughout the county.

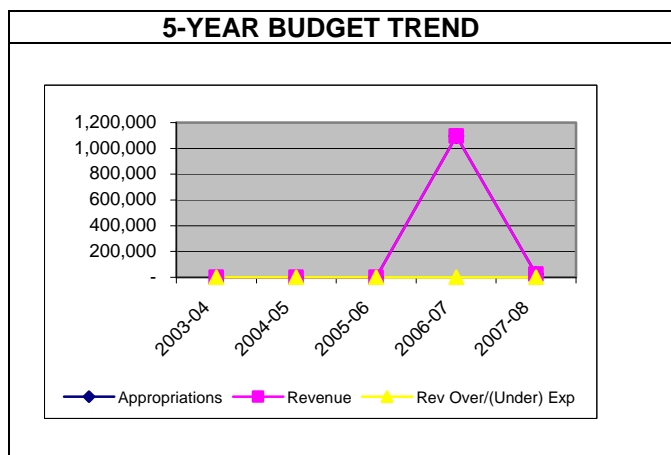
On August 6, 2004, the Federal Communications Commission (FCC) issued Report and FCC Order 04-168 (Order) that modified its rules governing the 800 MHz band to minimize harmful interference to public safety communications systems. Pursuant to the Order, certain licensees of 800 MHz channels in public safety or other systems were required to relinquish their existing channels and relocate their systems to other licensed channels. The Order stipulated that because Nextel communications is the main cause of the interference, they must pay for the relocation to replacement channels and the reconfiguration of these systems. The Order further stipulated that upon completion, these systems must have the same operational capabilities that existed before relocation. The entire process was to be completed by July 2008, however, the project is currently on hold nationwide awaiting further direction from the FCC.

Each public safety 800 MHz communication system licensee is required to negotiate a re-banding project plan and agreement with Nextel. This agreement would cover all aspects of re-banding and cost estimates. Nextel is required to secure a \$2.5 billion line of credit to be administered by the Transition Authority (TA) to reimburse public safety re-banding system entities of their costs.

The county began the planning phase of the re-banding process in 2005. The initial phase involved a frequency analysis, infrastructure inventories, and the development of the Planning Funding Agreement (PFA) with Nextel. The Board approved the PFA on April 18, 2006.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



## PERFORMANCE HISTORY

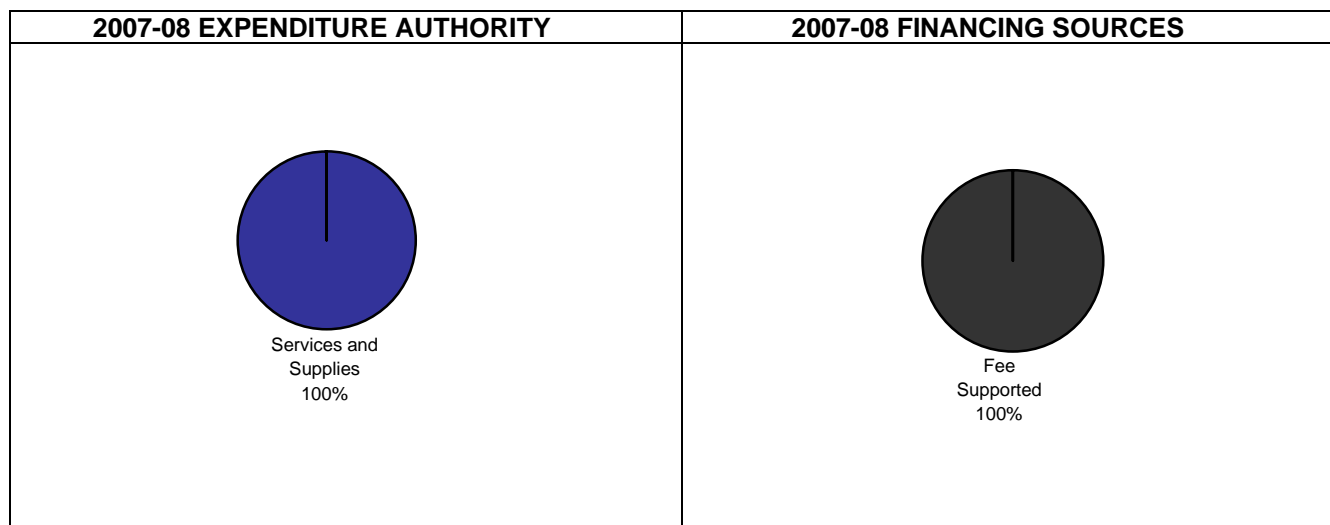
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	-	1,228,272	1,096,200	319,571
Departmental Revenue	-	-	549,977	1,096,200	319,571
Revenue Over/(Under) Exp	-	-	(678,295)	-	-

In 2006-07, estimated appropriation is less than the modified budget primarily due to the department's focus on the completion of the inventory and planning phase of the project. The majority of these costs were for internal and contract staff salaries and benefits.

To date, the county has not received reimbursement for the outstanding \$678,295 from 2005-06, or current year costs, and intends to enter into mediation to recover these costs from Nextel. On December 5, 2006, the Board approved a contract with Motorola as a sole source provider to develop a detailed design and re-banding transition plan for the county. The plan will include an analysis of the county's Fixed Network Inventory to determine which upgrades are needed to the software, hardware and firmware to enable migration to the re-banded frequencies. The total contract cost is \$274,925, which, per contract terms, will be paid in full by Nextel.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Information Services  
FUND: 800 MHZ Rebanding Project

BUDGET UNIT: IBT MHZ  
FUNCTION: General  
ACTIVITY: Other

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Salaries and Benefits	-	-	120,393	-	-	-	-
Services and Supplies	-	-	1,105,085	315,071	1,091,700	25,000	(1,066,700)
Central Computer	-	-	2,794	4,500	4,500	-	(4,500)
Total Appropriation	-	-	1,228,272	319,571	1,096,200	25,000	(1,071,200)
<b><u>Departmental Revenue</u></b>							
Current Services	-	-	549,977	319,571	1,096,200	25,000	(1,071,200)
Total Revenue	-	-	549,977	319,571	1,096,200	25,000	(1,071,200)
Rev Over/(Under) Exp	-	-	(678,295)	-	-	-	-

Services and supplies of \$25,000 consist of contract staff salaries for general project administration. The \$1,066,700 decrease is due to the uncertainty of the next project phase. Once the department receives direction from the FCC regarding the subsequent phases of the project, they will seek Board approval to make any necessary budget adjustments based on the new or revised Orders from the FCC.

Current service revenue of \$25,000 includes revenue to be reimbursed by Nextel for contract salary and benefit costs.





## PURCHASING

### Jim Lindley

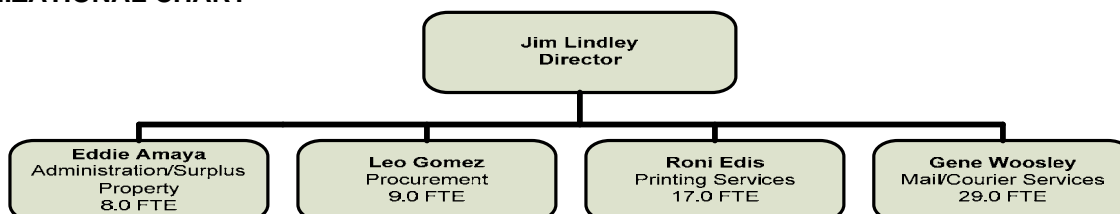
#### MISSION STATEMENT

The Purchasing Department is dedicated to manage for our customers the most cost-effective and efficient procurement of quality goods and services in support of the County of San Bernardino mission and goals. We will accomplish this through exceptional customer service, innovative processes, and sound business practices. In addition, we provide in-house services such as comprehensive mail services, printing, and surplus property and storage operations through three internal service programs (Mail/Courier Services, Printing Services, and Surplus Property and Storage Operations).

#### STRATEGIC GOALS

1. Initiate and conduct a countywide quarterly training program that trains county employees on specific Procurement and the Internal Service Funds policies and procedures to ensure quality customer service.
2. Enhance the quality of service for departments by increasing the number of Buyer II's that earns the C.P.M. accreditation within the Purchasing Department.
3. Promote efficiency in mail services by re-advertising and encouraging the multiple capabilities of the intelligent inserting of mail to county departments and any outside agencies and municipalities.
4. Promote efficiency by standardizing the current request for proposal (RFP) process to create an RFP template for all county departments to use.
5. Increase turnaround service of a requisition by creating an interactive requisition form and post on the Purchasing web page on Countyline to enhance customer service.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

	2007-08				
	Operating Exp/ Appropriation	Revenue	Local Cost	Revenue Over/ (Under) Exp	Staffing
<b><u>General Fund</u></b>					
Purchasing	1,302,167	50,000	1,252,167		15.0
Total General Fund	1,302,167	50,000	1,252,167		15.0
<b><u>Internal Service Funds</u></b>					
Printing Services	3,665,519	3,708,849		43,330	18.0
Surplus Property and Storage Operations	4,645,121	4,706,000		60,879	5.0
Mail/Courier Services	7,067,755	7,093,188		25,433	30.0
Total Internal Service Funds	15,378,395	15,508,037		129,642	53.0
<b>Total - All Funds</b>	<b>16,680,562</b>	<b>15,558,037</b>	<b>1,252,167</b>	<b>129,642</b>	<b>68.0</b>

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



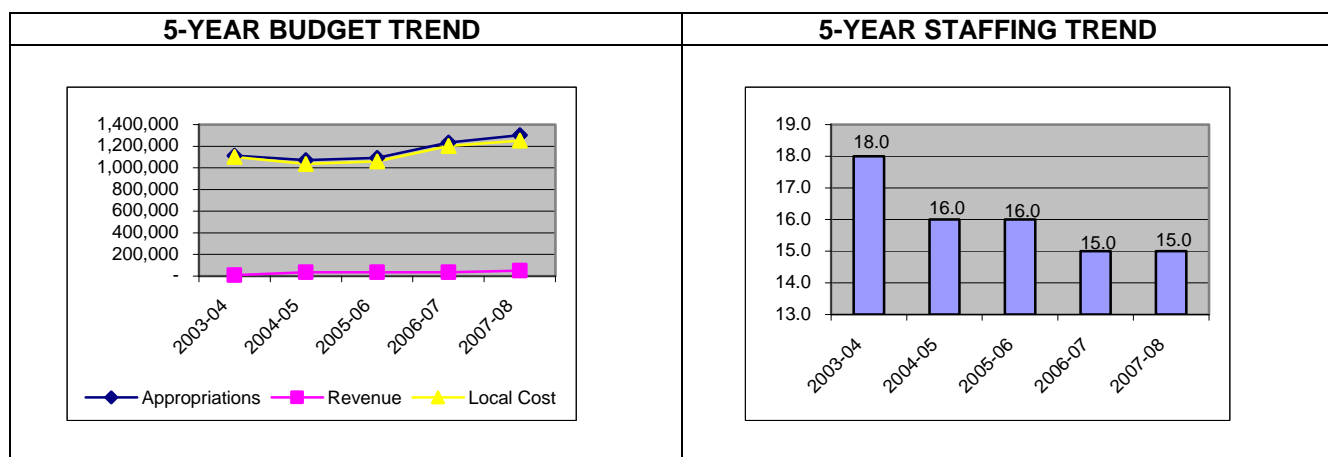
## Purchasing

### DESCRIPTION OF MAJOR SERVICES

The Purchasing Department is responsible for the acquisition of equipment, services, and supplies used by county departments and Board-governed districts. In addition, it is responsible for the management of three internal service programs (Surplus Property and Storage Operations, Mail/Courier Services and Printing Services). Purchasing also manages and arranges for the sale of county surplus property.

The Purchasing Department strives to provide service to all county departments, special districts and entities with sources for quality products with reasonable prices and timely deliveries. All willing vendors will be given the opportunity to provide pricing on their products and services in a fair, open, and competitive environment. Purchasing accomplishes this mission by treating each department, employee, and vendor with respect, integrity, and understanding. By extending this treatment to all, Purchasing fulfills the purchasing obligation of San Bernardino County.

### BUDGET HISTORY

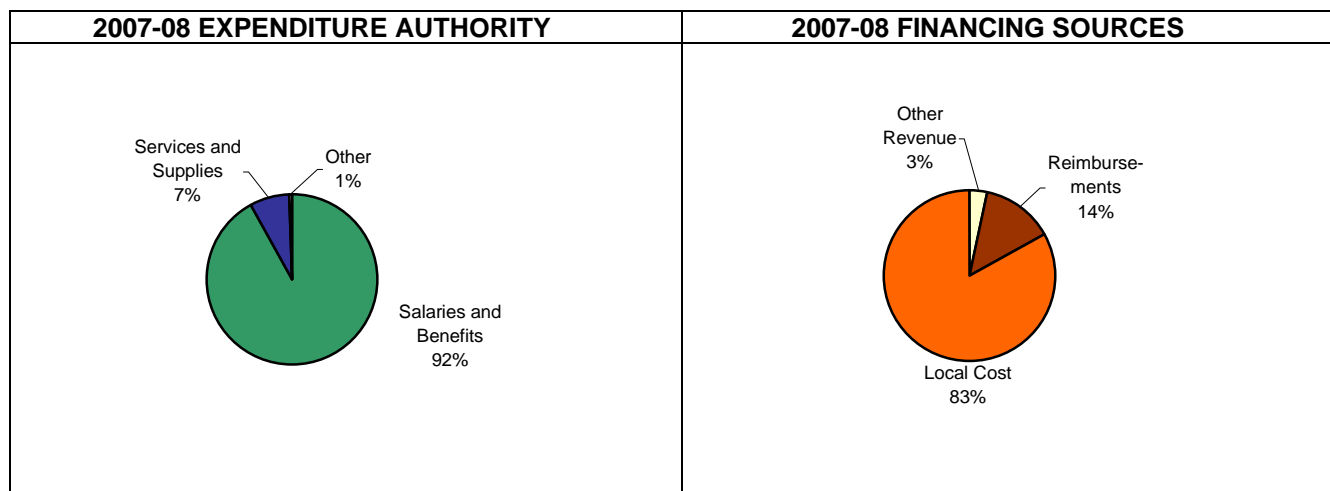


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	1,022,018	1,045,091	1,113,255	1,235,858	1,209,485
Departmental Revenue	36,568	38,293	38,755	35,000	37,145
Local Cost	985,450	1,006,798	1,074,500	1,200,858	1,172,340



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Purchasing  
FUND: General

BUDGET UNIT: AAA PUR  
FUNCTION: General  
ACTIVITY: Finance

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	1,184,267	1,137,450	1,167,204	1,221,924	1,290,702	1,385,473	94,771
Services and Supplies	22,300	91,365	107,323	142,021	121,323	83,994	(37,329)
Central Computer	13,420	16,683	18,694	20,762	20,762	26,861	6,099
Other Charges	997	728	420	97	104	-	(104)
Equipment	-	-	-	9,214	-	-	-
L/P Struct/Equip/Vehicles	5,783	6,052	-	4,981	4,981	-	(4,981)
Transfers	3,312	3,432	3,233	4,105	4,105	9,458	5,353
Total Exp Authority	1,230,079	1,255,710	1,296,874	1,403,104	1,441,977	1,505,786	63,809
Reimbursements	(208,061)	(210,619)	(183,619)	(193,619)	(206,119)	(203,619)	2,500
Total Appropriation	1,022,018	1,045,091	1,113,255	1,209,485	1,235,858	1,302,167	66,309
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	8,043	2,249	1,182	-	-	-	-
Current Services	-	-	24	-	-	-	-
Other Revenue	28,500	36,035	37,528	37,145	35,000	50,000	15,000
Other Financing Sources	25	9	21	-	-	-	-
Total Revenue	36,568	38,293	38,755	37,145	35,000	50,000	15,000
Local Cost	985,450	1,006,798	1,074,500	1,172,340	1,200,858	1,252,167	51,309
Budgeted Staffing					15.0	15.0	-

Salaries and benefits of \$1,385,473 fund 15.0 positions and are increasing by \$94,771 primarily because of MOU, equity and retirement rate adjustments, an increase of \$14,211 in worker's compensation charges and \$6,344 for a reclassification of a Business Systems Analyst II to a Business Systems Analyst III.

Services and supplies of \$83,994 include software and hardware computer upgrades, training, office supplies, and annual equipment maintenance. The decrease of \$37,329 reflects the use of additional funds that the department utilized in 2006-07 for a major remodel at 777 E. Rialto Avenue that will not be budgeted in 2007-08, and a reduction in the use of temporary help.



Transfers of \$9,458 include \$5,500 for Facilities Management charges for general department maintenance and mandated EH&P charges \$3,958.

Reimbursements of \$203,619 represent transfers from the three internal service funds (Printing Services, Surplus Property and Storage Operations, and Mail/Courier Services) for administrative support and \$20,000 from Human Services for the reimbursement of surplus property given to community based organizations.

Revenue of \$50,000 represents yearly proceeds from the sale of surplus property to the countywide auction vendor Nationwide. The \$15,000 increase is the result of the Board approved contract for Nationwide that has better sale proceeds for surplus property and a lower buyer's premium that will result in increased yearly revenue for the Purchasing Department.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage increase of county employees who have been trained by Purchasing in specific procurement and internal service funds policies and procedures.	15%	20%	40%
Percentage of Buyers that have earned the C.P.M. accreditation.	10%	0%	20%
Percentage of changes that are posted to the templates as they occur.	NEW	NEW	100%
Percentage of county departments that use the interactive requisition.	NEW	NEW	50%

The Purchasing Department did not meet it's initial goal in 2006-07 of a Buyer earning the C.P.M accreditation due to the fact that one Buyer has completed only two of the four required modules at this time, and will not receive full accreditation until approximately December of 2007. In 2007-08, the department will make a strong effort to enlist affected Buyers in the certification process to ensure they earn the C.P.M. certification before the end of the fiscal year.



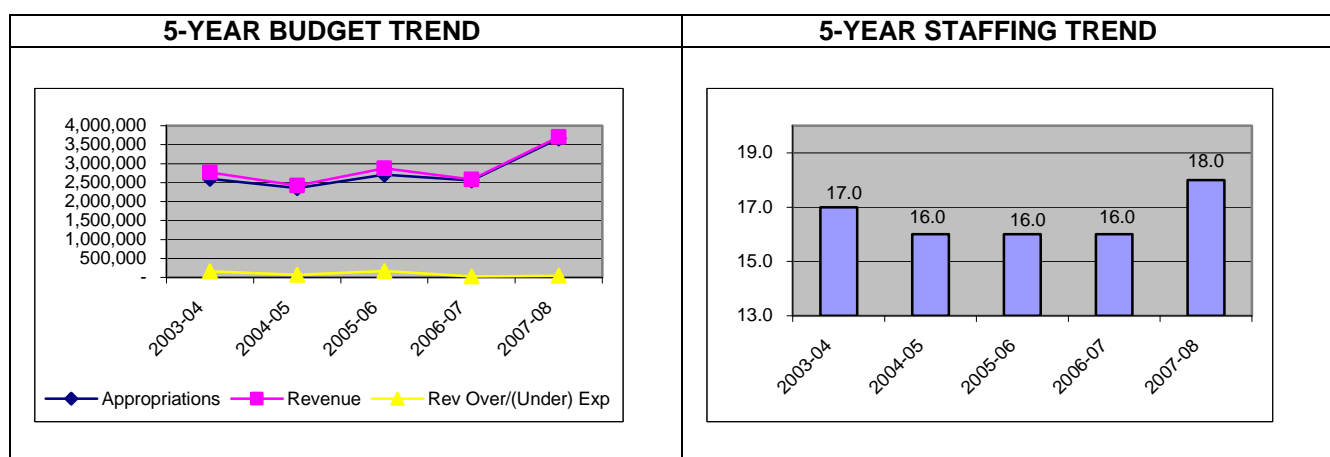
## Printing Services

### DESCRIPTION OF MAJOR SERVICES

Printing Services composes, sets, prints, collates, and binds county forms, pamphlets, and reports for county departments and special districts. The purpose of this division is to provide high quality printed materials utilizing the latest technological advances in order to serve the needs of county departments. Printing Services also administers the Arrowhead Regional Medical Center (ARMC) Forms Program. This division strives to deliver services in a timely and most cost effective manner that is beneficial to all its customers.

The Purchasing – Printing Services Division budget unit is an Internal Service Fund (ISF). All operational costs of this program are distributed to user departments through user rates. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used for working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



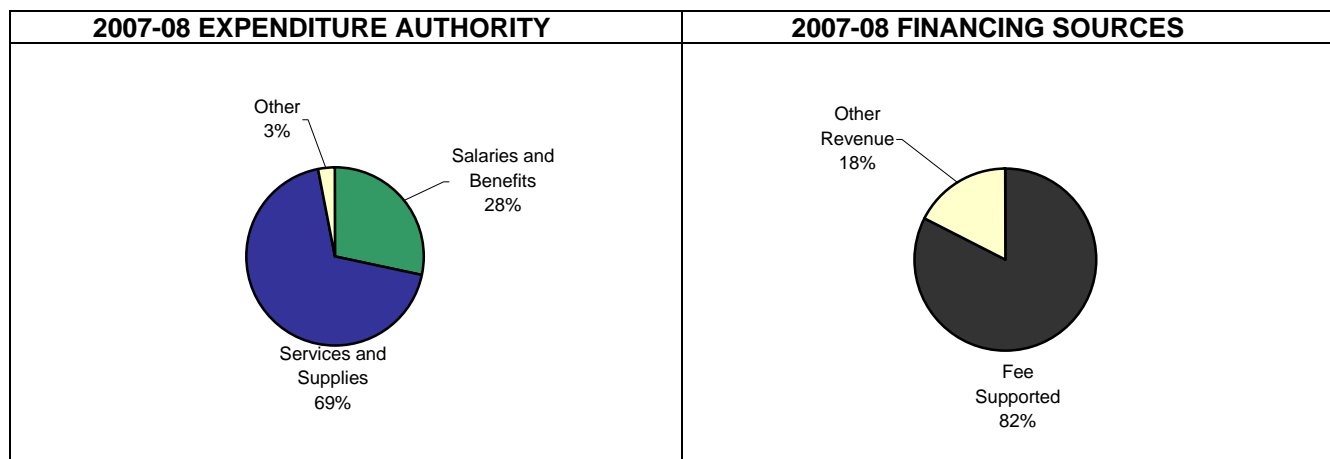
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,548,386	2,552,427	2,720,475	2,560,028	3,652,913
Departmental Revenue	2,503,248	2,677,230	2,975,297	2,586,287	3,662,849
Revenue Over/(Under) Exp	(45,138)	124,803	254,822	26,259	9,936
Budgeted Staffing				18.0	
Fixed Assets	187,189	32,826	7,421	32,500	-
Unrestricted Net Assets Available at Year End	161,402	258,995	487,899		431,325

The 2006-07 estimates are greater than the budgeted amounts due to the addition of the ARMC Forms Program. As part of the Purchasing Department reorganization, the ARMC Forms Program increased appropriation during 2006-07; however, revenue is projected to increase at a rate equal to or slightly more than appropriation. The ARMC Forms Program is included in the 2007-08 budget.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Purchasing  
**FUND:** Printing Services

**BUDGET UNIT:** IAG PUR  
**FUNCTION:** General  
**ACTIVITY:** Printing

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	785,560	807,396	803,519	936,911	931,906	1,042,679	110,773
Services and Supplies	1,748,784	1,734,253	1,933,142	2,611,804	1,583,700	2,531,025	947,325
Central Computer	5,030	7,378	7,270	9,796	9,796	10,825	1,029
Other Charges	4,659	3,363	5,453	-	-	-	-
Transfers	52,143	52,259	52,253	53,125	53,125	53,241	116
Total Exp Authority	2,596,176	2,604,649	2,801,637	3,611,636	2,578,527	3,637,770	1,059,243
Reimbursements	(47,790)	(52,222)	(81,162)	-	(59,776)	-	59,776
Total Appropriation	2,548,386	2,552,427	2,720,475	3,611,636	2,518,751	3,637,770	1,119,019
Depreciation	-	-	-	41,277	41,277	27,749	(13,528)
Total Requirements	2,548,386	2,552,427	2,720,475	3,652,913	2,560,028	3,665,519	1,105,491
<b>Departmental Revenue</b>							
Current Services	2,503,178	2,676,235	2,960,329	3,662,849	2,586,287	3,058,849	472,562
Other Revenue	70	995	14,968	-	-	650,000	650,000
Total Revenue	2,503,248	2,677,230	2,975,297	3,662,849	2,586,287	3,708,849	1,122,562
Rev Over/(Under) Exp	(45,138)	124,803	254,822	9,936	26,259	43,330	17,071
Budgeted Staffing					16.0	18.0	2.0
<b>Fixed Assets</b>							
Improvement to Structures	-	-	-	-	25,000	-	(25,000)
Equipment	139,010	-	-	-	7,500	-	(7,500)
Vehicles	-	-	-	-	-	30,000	30,000
L/P Equipment	48,179	32,826	7,421	-	-	-	-
Total Fixed Assets	187,189	32,826	7,421	-	32,500	30,000	(2,500)

Salaries and benefits of \$1,042,679 fund 18.0 positions and are increasing by \$110,773 primarily due to the addition of 2.0 Storekeeper positions added to Printing Services during 2006-07 for the administration of the ARMC Forms Program, which was inherited from Central Stores during last fiscal year. The rest of the increase stems from mandatory MOU increases, retirement rate adjustments, a proposed equity adjustment for the Printing Services Supervisor, and upward reclassifications of three Graphic Designer I positions to Graphic Designer II's which will cost approximately \$8030, and a Reproduction Equipment Operator I position to a Reproduction Equipment Operator II which will cost approximately \$811. The department will propose one downward reclassification based on department needs of a Fiscal Assistant to Office Assistant II representing a



savings of approximately \$4,500. The department will present an agenda item to the Board of Supervisors requesting approval for the equity adjustment at a later date.

Services and supplies of \$2,531,025 include the purchase of materials for all the printing jobs, hardware and software upgrades for Graphic Arts, office supplies, outside printing requests, COWCAP charges, and rental payments for the Quick Copy machines. The increase of \$947,325 is due primarily to the purchase of extra materials for the ARMC Forms Program, and the purchase of additional supplies to meet increased demand by user departments for printing services.

Transfers of \$53,241 represent reimbursement to the Purchasing Department of \$49,020 for administrative support, and mandated EH&P charges.

Revenue of \$3,708,849 is for all printing services job orders. The increase of \$1,122,562 is a result of the inheritance of revenue from the ARMC Forms Program, and an anticipated increase in printing services by user departments.

Vehicles are budgeted at \$30,000 for the purchase of a cargo van to be used for deliveries for the ARMC Forms Program and miscellaneous printing jobs.



## Surplus Property and Storage Operations

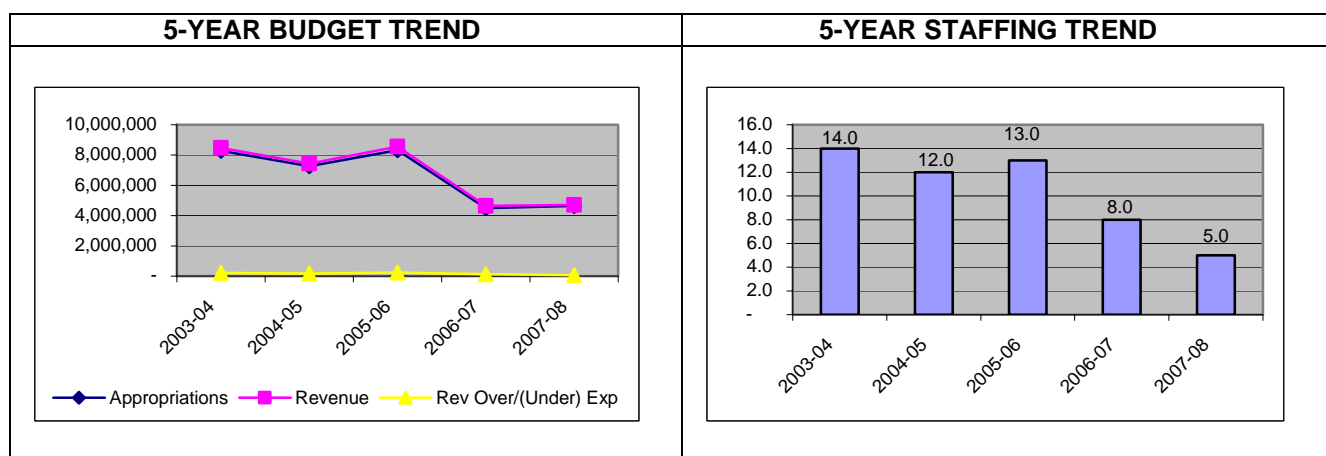
### DESCRIPTION OF MAJOR SERVICES

Surplus Property and Storage Operations maintains the surplus property pool, serves as a storage facility for county departments, administers the Office Depot Next Day Desktop Delivery Program, and administers the printer cartridges recycling program. The Office Depot Next Day Desktop Delivery Program enables departments to order all their office supplies on-line through Office Depot's website, and receive delivery of their order within 24 hours (within greater San Bernardino area). The top 300 office products used by the county departments receive special "net" pricing, which can be up to 57% off the catalog price. The division strives to accurately inventory and fairly distribute surplus property to interested county departments, community-based organizations, and the general public.

During 2006-07, Central Stores was phased out and the county transitioned into a "Just in Time" procurement system. In this budget year, Surplus Property and Storage Operations will move to a barcode system that will enable the tracking of all surplus property that is turned in and issued out. In addition, Surplus Property and Storage Operations will be beginning to market surplus property on Countyline for county departments and hold public auctions on the internet for the general public.

The Purchasing – Surplus Property and Storage Operations Division budget unit is an Internal Service Fund (ISF). All operational costs of this program are distributed to user departments through user rates. As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used for working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



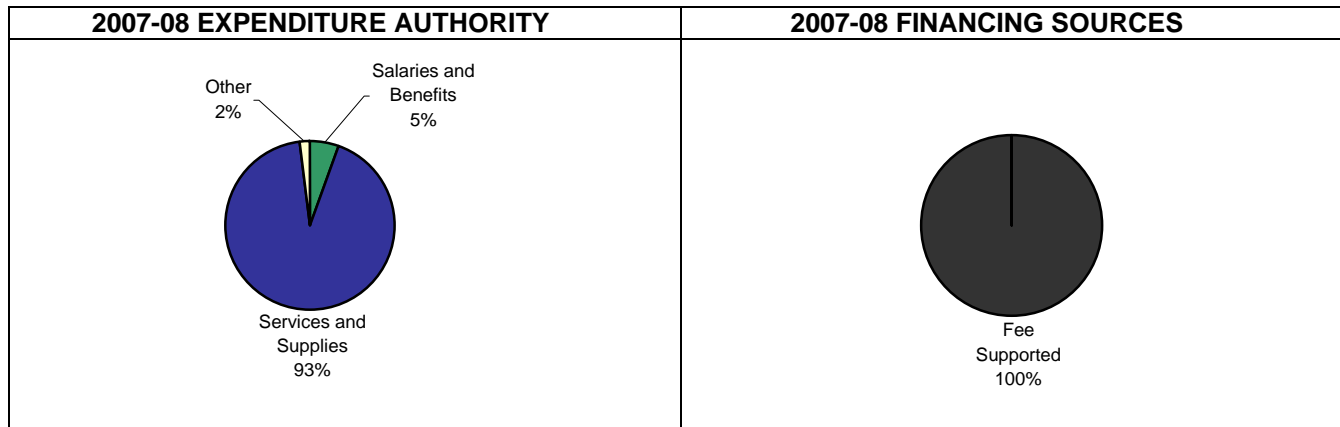
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	8,013,104	8,636,892	8,776,583	4,500,088	4,530,596
Departmental Revenue	7,703,050	8,929,050	8,884,935	4,637,023	4,835,591
Revenue Over/(Under) Exp	(310,054)	292,158	108,352	136,935	304,995
Budgeted Staffing				8.0	
Fixed Assets	-	-	4,412	-	-
Unrestricted Net Assets Available at Year End	107,208	224,000	220,820		508,435





## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Purchasing  
**FUND:** Surplus Property and Storage Operations

**BUDGET UNIT:** IAV PUR  
**FUNCTION:** General  
**ACTIVITY:** Surplus and Storage

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Salaries and Benefits	509,318	521,745	417,411	272,005	385,981	252,565	(133,416)
Services and Supplies	7,369,451	7,991,863	8,199,765	4,150,220	3,971,919	4,284,281	312,362
Central Computer	9,358	14,124	14,354	10,565	14,494	12,760	(1,734)
Transfers	124,977	109,160	145,053	93,712	123,600	92,489	(31,111)
Total Appropriation	8,013,104	8,636,892	8,776,583	4,526,502	4,495,994	4,642,095	146,101
Depreciation	-	-	-	4,094	4,094	3,026	(1,068)
Total Requirements	8,013,104	8,636,892	8,776,583	4,530,596	4,500,088	4,645,121	145,033
<b><u>Departmental Revenue</u></b>							
Current Services	7,703,050	8,925,285	8,884,935	4,835,591	4,637,023	4,706,000	68,977
Total Revenue	7,703,050	8,929,050	8,884,935	4,835,591	4,637,023	4,706,000	68,977
Rev Over/(Under) Exp	(310,054)	292,158	108,352	304,995	136,935	60,879	(76,056)
Budgeted Staffing					8.0	5.0	(3.0)
<b><u>Fixed Assets</u></b>							
Equipment	-	-	4,412	-	-	-	-
Total Fixed Assets	-	-	4,412	-	-	-	-

Salaries and benefits of \$252,565 fund 5.0 positions and are decreasing by \$133,416 due to the reduction of 3.0 positions from 2006-07, thus continuing the consolidation of services and increased efficiencies within surplus property and storage operations. The department is requesting the reclassification of 1.0 Stores Specialist to 1.0 Stores Supervisor at the same pay range. The reclassification will allow customer questions to be answered and decisions made in a timely manner. Other duties will include oversight of programs such as surplus issuance and receiving, recycling and on-line auctions.

Services and supplies of \$4,284,281 include the purchase of office supplies for all county departments through Office Depot, and system development charges. The increase of \$312,362 reflects an anticipated increase in the purchase of office supplies for county departments, and an increase in COWCAP charges.

Transfers of \$92,489 include reimbursement to the Purchasing Department for administrative support, and mandated EHAP charges. The \$31,111 decrease is a result of the termination of reimbursement to Printing Services for payment of a third of the Printing/Mail Services Manager's salary due to a department reorganization.

Charges for current services of \$4,706,000 includes revenue from the Office Depot consolidated billing program, vendor rebates, storage fees, and printer cartridge recycling. The \$68,977 increase in revenue is due to an anticipated increase in demand by user departments for Office Depot supplies in 2007-08.



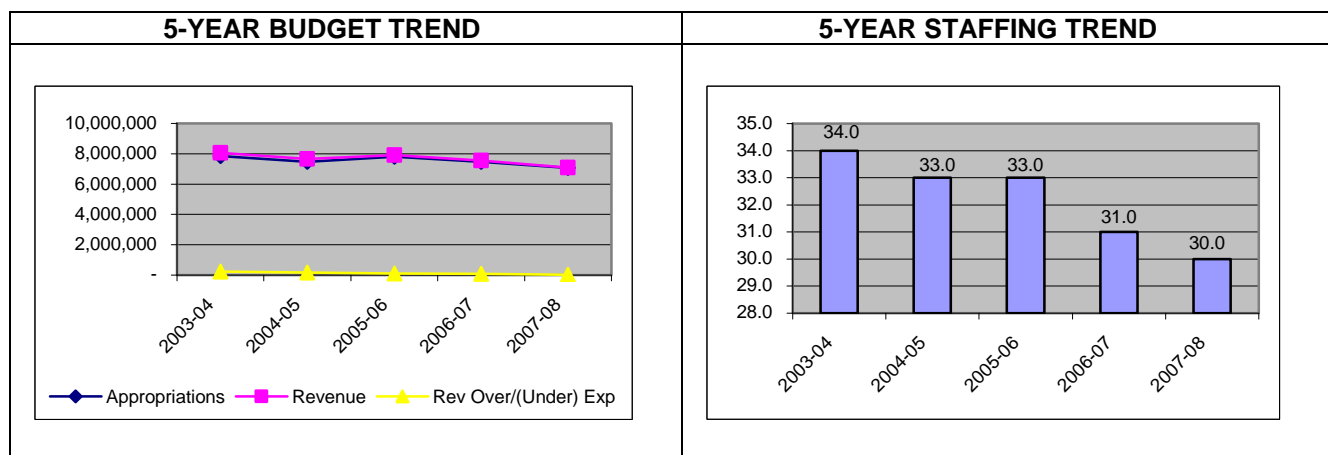
## Mail/Courier Services

### DESCRIPTION OF MAJOR SERVICES

Mail/Courier Services provides interoffice, U.S. Postal, and courier service to agencies, departments, and special districts within the county. The division's main goal is to deliver each piece of mail in a timely and accurate manner.

The Purchasing Department's Mail/Courier Services budget unit is an Internal Service Fund (ISF). As an ISF, any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rate structure.

### BUDGET HISTORY



### PERFORMANCE HISTORY

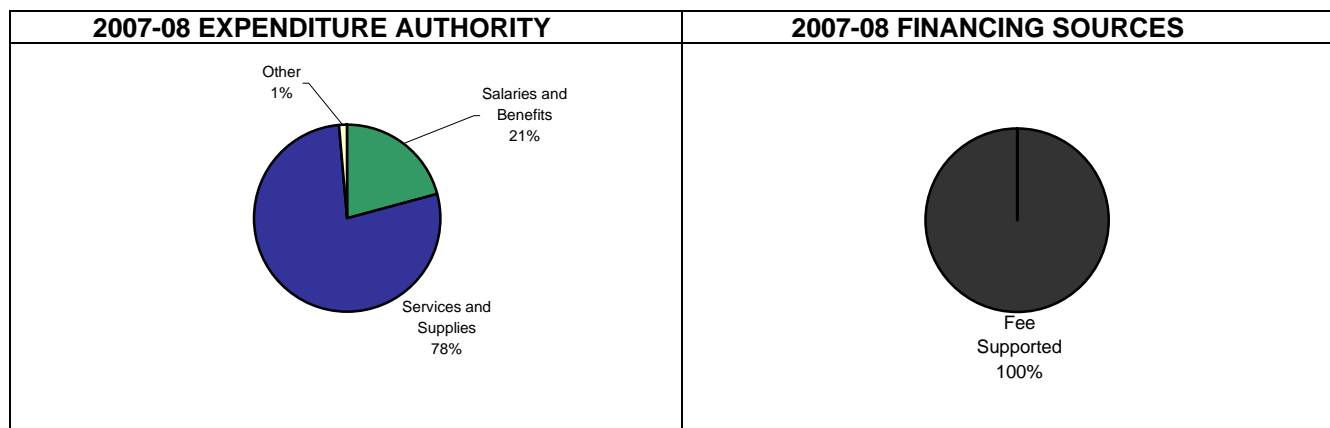
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	7,597,199	7,473,474	6,885,767	7,463,766	6,669,547
Departmental Revenue	8,030,748	7,902,243	6,897,044	7,548,000	6,501,335
Revenue Over/(Under) Exp	433,549	428,769	11,277	84,234	(168,212)
Budgeted Staffing				31.0	
Fixed Assets	15,734	65,803	30,790	27,000	20,000
Unrestricted Net Assets Available at Year End	927,857	1,280,274.00	1,248,812		1,062,105

Appropriation and departmental revenue in 2006-07 are below budget due to an anticipated increase in postage not materializing and continued automation and outsourcing from county departments involved in the Human Services System C-IV Program.

Per the June 30, 2006 Report of Operations prepared by the Auditor/Controller-Recorder, the working capital requirements for this fund is \$1,248,812. On February 27, 2007, the Board of Supervisors approved rate adjustments for the presort and inter-office mail cost rates. In 2006-07, the department addressed the estimated revenue shortage of \$168,212 in the inter-office mail program through a rate study conducted by the Auditor/Controller-Recorder that recommended increases in both the interoffice mail and presort cost centers. On February 27, 2007, the Board of Supervisors approved rate adjustments for both the presort and inter-office mail cost centers. Increases in both cost centers will enable Mail/Courier Services to maintain two months worth of operating expenses in order to fully fund their working capital reserve.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Purchasing  
FUND: Mail Courier Services

BUDGET UNIT: IAY PUR  
FUNCTION: General  
ACTIVITY: Mail & Courier Services

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	1,148,888	1,137,213	1,275,352	1,386,530	1,498,250	1,478,335	(19,915)
Services and Supplies	6,396,250	6,259,757	5,523,200	5,187,566	5,840,177	5,503,279	(336,898)
Central Computer	2,278	4,209	4,898	5,596	5,596	8,613	3,017
Other Charges	1,705	3,484	2,518	2,000	2,000	1,117	(883)
Transfers	48,078	68,811	79,799	52,684	82,572	52,398	(30,174)
Total Appropriation	7,597,199	7,473,474	6,885,767	6,634,376	7,428,595	7,043,742	(384,853)
Depreciation	-	-	-	35,171	35,171	24,013	(11,158)
Total Requirements	7,597,199	7,473,474	6,885,767	6,669,547	7,463,766	7,067,755	(396,011)
<b>Departmental Revenue</b>							
Current Services	8,030,648	7,902,243	6,897,044	6,501,335	7,548,000	7,093,188	(454,812)
Other Revenue	100	-	-	-	-	-	-
Total Revenue	8,030,748	7,902,243	6,897,044	6,501,335	7,548,000	7,093,188	(454,812)
Rev Over/(Under) Exp	433,549	428,769	11,277	(168,212)	84,234	25,433	(58,801)
Budgeted Staffing					31.0	30.0	(1.0)
<b>Fixed Assets</b>							
Equipment	-	33,657	7,536	-	7,000	22,000	15,000
L/P Equipment	15,734	32,146	23,254	20,000	20,000	24,654	4,654
Total Fixed Assets	15,734	65,803	30,790	20,000	27,000	46,654	19,654

Salaries and Benefits of \$1,478,335 fund 30.0 positions and are decreasing by \$19,915. Included in the 2007-08 budget, is \$22,000 for three proposed equity increases, which include 1.0 Mail Services Supervisor II and 2.0 Mail Services Supervisor I positions. The cost of the equity increases are offset by the deletion of 1.0 Mail Processor II position. The department will present an agenda item to the Board of Supervisors requesting approval for the equity adjustments at a later date.

Services and supplies of \$5,503,279 include general office expenses, postage costs, COWCAP charges, presort and barcode services, equipment maintenance, and vehicle charges. The decrease of \$336,898 is due to an anticipated postal rate increase that did not materialize in 2006-07



Other charges of \$1,117 represent interest payments on the fourth-year of a five-year lease-purchase of non-intelligent inserters.

Transfers of \$52,398 represent reimbursement to the Purchasing Department of \$44,420 for administrative support, and mandated EHAP charges.

Charges for current services of \$7,093,188 include revenue from mail and courier services. The \$454,812 decrease is a result of budgeting revenue based on past trends.

Equipment is budgeted at \$22,000 for the purchase of two postage meters needed to comply with new United States Postal Service technology standards.

Lease-purchase equipment of \$24,654 represents principal only payments on the fourth-year of a five-year lease purchase of non-intelligent inserters.



## RISK MANAGEMENT

### Laurie Milhiser

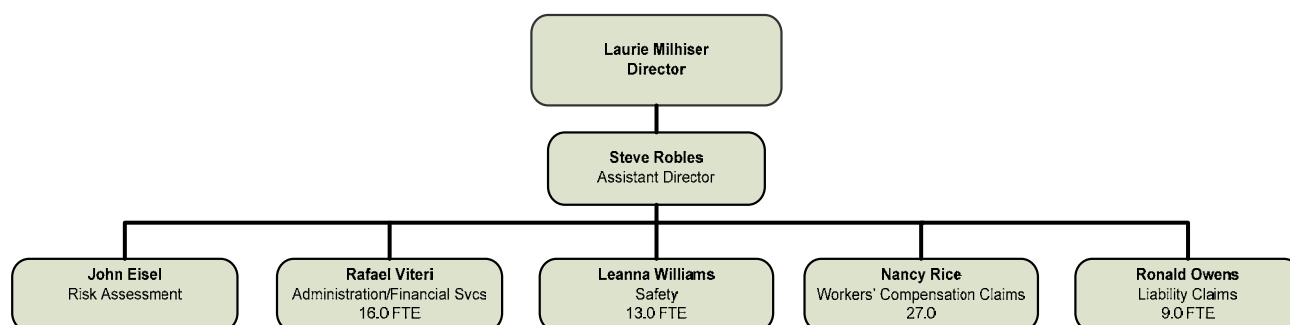
#### MISSION STATEMENT

Risk Management seeks to minimize the frequency and severity of financial loss to the County through a coordinated Enterprise Risk Management Program which includes identification and assessment of exposures that can result in loss, effective risk reduction and loss prevention programs for identified risks, aggressive claims management, and fiscally responsible risk financing and recovery.

#### STRATEGIC GOALS

1. Minimize risk management costs and stabilize premiums charged to county departments by utilizing strategies that enable the department to manage the various funds in the most cost-effective manner.
2. Improve customer service by providing interactive communication of risk management data.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

2007-08				
	Operating Exp/ Appropriation	Revenue	Revenue Over/ (Under) Exp	Staffing
<b><u>Internal Service Funds</u></b>				
Operations	7,082,321	7,082,321	-	72.0
Insurance Programs	70,334,073	106,326,183	35,992,110	-
Total Internal Service Funds	77,416,394	113,408,504	35,992,110	72.0

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.

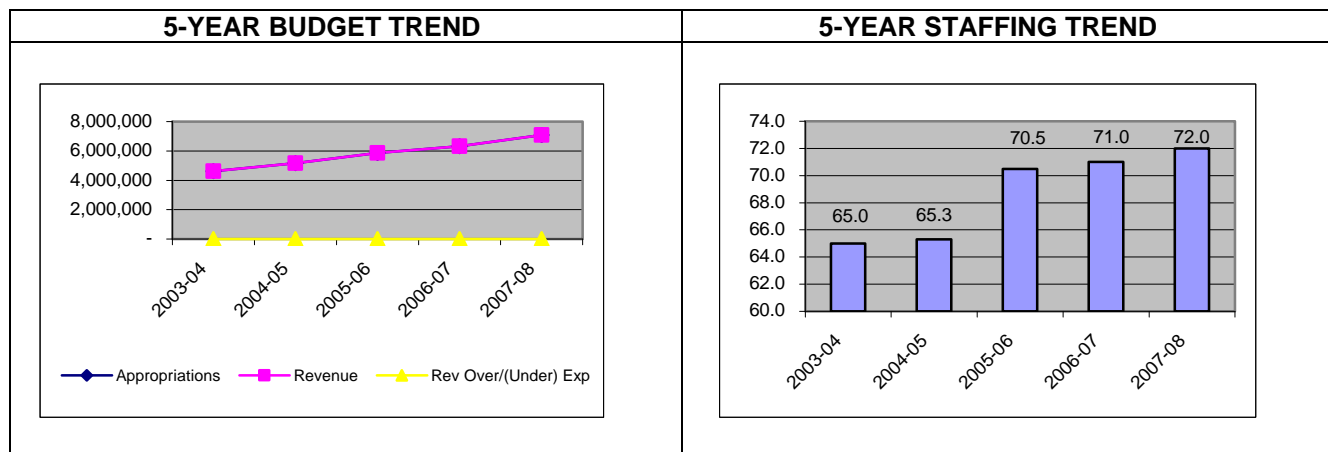


## Operations

### DESCRIPTION OF MAJOR SERVICES

Risk Management administers the county's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All programs are paid from self-insurance funds and financed by charging general fund and non-general fund departments, as well as Board-Governed Special Districts and County Service Areas. Each is billed for their specific coverage for the cost to pay losses under the self-insured programs and the cost of insurance for the insured programs.

### BUDGET HISTORY



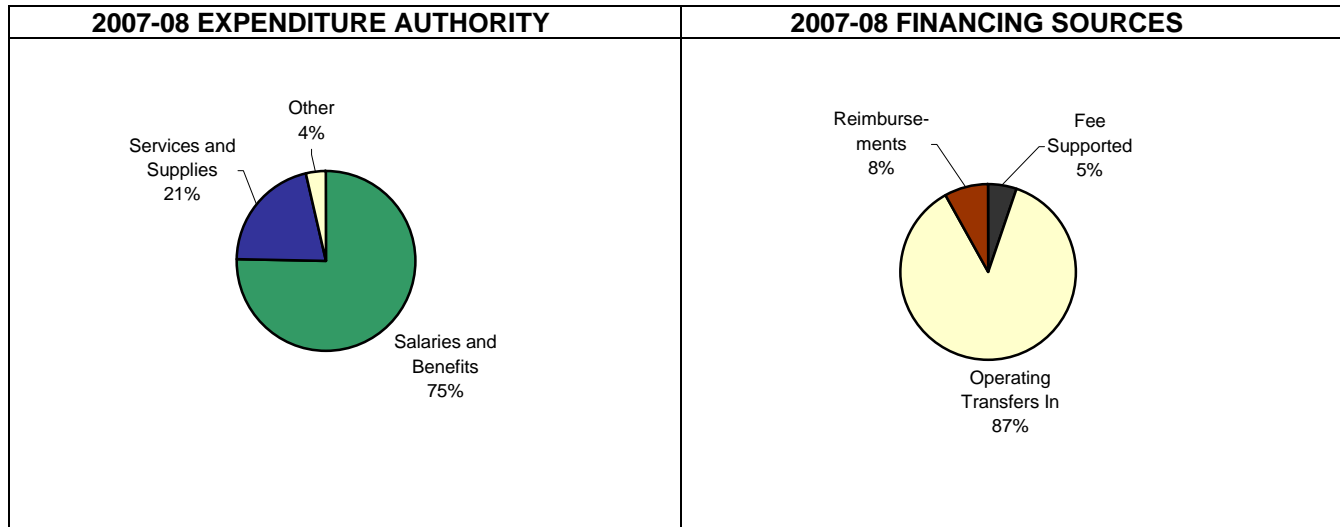
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	4,958,155	4,832,121	5,425,784	6,320,807	7,896,977
Departmental Revenue	4,810,196	5,309,472	6,220,413	6,320,807	6,701,807
Revenue Over/(Under) Exp	(147,959)	477,351	794,629	-	(1,195,170)
Budgeted Staffing				71.0	
Fixed Assets	-	-	-	10,000	9,800
Unrestricted Net Assets Available at Year End	(67,646)	401,845	1,196,474		490,386

In 2006-07, estimated appropriation is greater than budget as a result of increased property and aircraft liability insurance costs. The Operations budget unit is primarily funded through operating transfers from the insurance funds. These transfers are processed based on budgeted amounts, and if the Operations program does not spend all of their appropriation in a fiscal year, there is a year-end cash surplus. In 2006-07 an unbudgeted operating transfer out in the amount of \$1.73 million was processed to transfer unspent funds back to the insurance funds.



## ANALYSIS OF PROPOSED BUDGET



**GROUP: Administrative/Executive**  
**DEPARTMENT: Risk Management**  
**FUND: Operations**

**BUDGET UNIT: IBP RMG**  
**FUNCTION: General**  
**ACTIVITY: Other General**

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Salaries and Benefits	3,839,085	4,020,374	4,834,570	5,312,073	5,458,150	5,806,517	348,367
Services and Supplies	856,019	1,164,104	1,076,892	1,379,294	1,187,047	1,542,389	355,342
Central Computer	36,273	45,531	53,105	62,597	62,597	70,176	7,579
Transfers	143,469	161,389	28,391	32,181	32,181	33,234	1,053
Total Exp Authority	4,874,846	5,391,398	5,992,958	6,786,145	6,739,975	7,452,316	712,341
Reimbursements	(515,265)	(559,277)	(575,022)	(619,168)	(619,168)	(619,995)	(827)
Total Appropriation	4,359,581	4,832,121	5,417,936	6,166,977	6,120,807	6,832,321	711,514
Depreciation	-	-	7,848	-	-	-	-
Operating Transfers Out	598,574	-	-	1,730,000	200,000	250,000	50,000
Total Requirements	4,958,155	4,832,121	5,425,784	7,896,977	6,320,807	7,082,321	761,514
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	49,183	58,235	129,059	124,000	95,000	130,000	35,000
State, Fed or Gov't Aid	1,925	721	8,191	-	-	-	-
Current Services	439,869	366,041	470,720	395,000	375,000	400,000	25,000
Total Revenue	490,977	424,997	607,970	851,000	470,000	530,000	60,000
Operating Transfers In	4,319,219	4,884,475	5,612,443	5,850,807	5,850,807	6,552,321	701,514
Total Financing Sources	4,810,196	5,309,472	6,220,413	6,701,807	6,320,807	7,082,321	761,514
Rev Over/(Under) Exp	(147,959)	477,351	794,629	(1,195,170)	-	-	-
Budgeted Staffing					71.0	72.0	1.0
<b><u>Fixed Assets</u></b>							
Equipment	-	-	-	9,800	10,000	15,000	5,000
Total Fixed Assets	-	-	-	9,800	10,000	15,000	5,000



Salaries and benefits of \$5,806,517 fund 72.0 positions and are increasing by \$348,367 primarily resulting from increases in workers' compensation charges, and other costs associated with MOU and retirement rate adjustments, the mid-year reclassification of 3.0 positions resulting in costs of \$32,778, and the addition of 1.0 Staff Analyst II to coordinate the county's American's with Disabilities Act (ADA) program. This function was previously performed by a Human Resources Analyst and will entail the provision of consistent services to the disabled community, identifying and removing barriers, contract management with ADA experts, litigation support with County Counsel, management reporting, and maintaining accurate recordkeeping practices. In addition, the department requests the following reclassifications:

- Fiscal Assistant (pay range 31) to a Payroll Specialist (pay range 33) to manage the department's payroll functions previously performed by the Human Resources Department.
- Supervising Liability Claims Rep and a Supervising Workers Comp Adjuster (pay range 62) to Claims Managers, a new classification (pay range 65), to reflect the additional management roles assumed by these positions.

Services and supplies of \$1,542,389 include costs for general office expenses, training, and information technology services. The increase of \$355,342 is a result of the COWCAP allocation increase from \$812,792 to \$1,055,140, anticipated equipment replacement, and inflation.

Transfers of \$33,234 represent costs for human resources programs including Employee Health and Productivity, Employee Benefits, and employee relations services.

Reimbursements of \$619,995 include reimbursements from the insurance funds for 6.0 Safety Specialists and 1.0 Workers' Compensation Claims Adjuster based on various Board actions.

Operating transfers out of \$250,000 is an estimate of stale dated warrants and payments from previous years.

Revenues of \$530,000 include interest revenue, revenue from the Emergency Medical Services program, and allocations from SB612.

Operating transfers in of \$6,552,321 come from the various insurance funds which are financed through Board approved rates paid by departments, Board-Governed Special Districts, and County Service Areas. The \$701,514 increase reflects the increased costs of program administration including salary and benefit increases due to staffing changes, increased COWCAP charges, equipment replacement and training needs.

Fixed asset equipment of \$15,000 is for the purchase of two servers to support the new automated claims management system.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Reduce average cost per Workers' Compensation claim.	<\$17,500	\$17,500	<\$18,500
Reduce average cost per general liability claim.	<\$5,800	\$9,800	<\$10,000
Percentage of verified compliance with contractual insurance requirements.	80%	<50%	80%
Percentage increase of visits to the Risk Management website.	NEW	NEW	50%





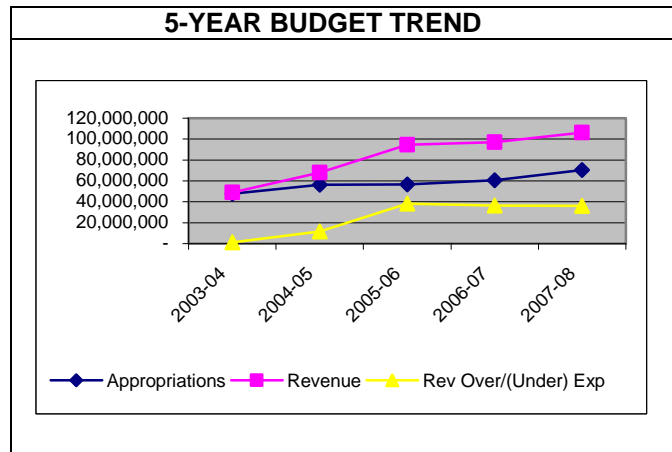
## Insurance Programs

### DESCRIPTION OF MAJOR SERVICES

Risk Management administers the county's self-insured workers' compensation, public liability, property conservation, safety and risk reduction programs and its insured programs. All programs are paid from self-insurance funds and financed by charging general fund and non-general fund departments, as well as Board-Governed Special Districts and County Service Areas. Each agency is billed for their specific coverage for the cost to pay losses under the self-insured programs and the cost of insurance for the insured programs.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



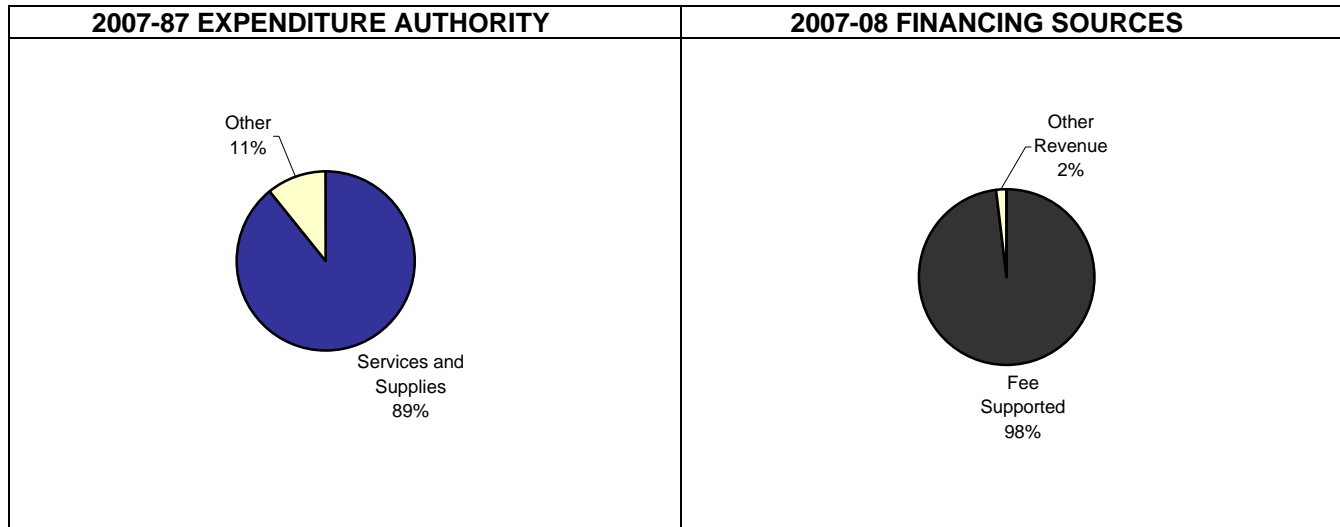
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	56,585,885	47,913,728	59,670,550	60,686,873	52,291,789
Departmental Revenue	50,845,461	69,026,882	100,296,168	97,127,583	106,526,932
Revenue Over/(Under) Exp	(5,740,424)	21,113,154	40,625,618	36,440,710	54,235,143
Budgeted Staffing				-	
Fixed Assets	-	-	-	-	-
Unrestricted Net Assets Available at Year End	(55,689,581)	(47,077,608)	117,194,274	-	147,933,919

In 2006-07, estimated appropriation is less than budget due to lower than anticipated claims expenditures. In addition, total financing is expected to be significantly higher than budget primarily resulting from increased interest revenue, unbudgeted subrogation and claims cost recoveries, and receipt of an operating transfer for \$1.7 million from the Risk Management Operations budget unit to return remaining prior year fund balance.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Risk Management  
**FUND:** Risk Mgmt - Insurance Programs

**BUDGET UNIT:** Various  
**FUNCTION:** General  
**ACTIVITY:** Other General

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	48,565,383	41,822,987	48,601,816	45,444,011	53,786,897	62,781,757	8,994,860
Other Charges	311,969	414,702	339,709	349,405	430,000	380,000	(50,000)
Transfers	515,265	558,677	575,022	619,169	619,169	619,995	826
Total Appropriation	49,392,617	42,796,366	49,516,547	46,412,585	54,836,066	63,781,752	8,945,686
Operating Transfers Out	7,193,268	5,117,362	10,154,003	5,879,204	5,850,807	6,552,321	701,514
Total Requirements	56,585,885	47,913,728	59,670,550	52,291,789	60,686,873	70,334,073	9,647,200
<b>Departmental Revenue</b>							
Use Of Money and Prop	223,706	296,562	659,430	2,376,517	346,083	2,034,683	1,688,600
State, Fed or Gov't Aid	-	24,812	-	-	-	-	-
Current Services	47,196,390	68,503,274	99,288,830	102,168,590	96,745,000	104,255,000	7,510,000
Other Revenue	30,444	145,028	306,348	208,132	36,500	36,500	-
Total Revenue	47,450,540	68,969,676	100,254,608	104,753,239	97,127,583	106,326,183	9,198,600
Operating Transfers In	3,394,921	57,206	41,560	1,773,693	-	-	-
Total Financing Sources	50,845,461	69,026,882	100,296,168	106,526,932	97,127,583	106,326,183	9,198,600
Rev Over/(Under) Exp	(5,740,424)	21,113,154	40,625,618	54,235,143	36,440,710	35,992,110	(448,600)

Services and supplies of \$62,781,757 includes judgment and settlement costs, medical treatment and expenses, temporary disability and loss earnings, property insurance, and legal defense services. The \$8,994,860 increase is due to increased claims costs and premium costs for excess insurance in all insured and self-insured funds.

Other charges of \$380,000 include costs for taxes and assessments by the State of California for the worker's compensation self insurance plans.

Transfers of \$619,995 represent average salary and benefit costs for 6.0 Safety Specialists and 1.0 Workers' Compensation Adjuster, funded by various sub funds resulting from Board actions.



Operating transfers out of \$6,552,321 represent funding for the Operations division. The \$701,514 increase is due to staffing adjustments, increased COWCAP charges, equipment replacement needs, inflation, and Human Resources services.

Revenue of \$106,326,183 includes \$104,255,000 in insurance premiums collected from user departments. The \$7.5 million increase over last year is due to a Board approved rate change to pay for premiums and increase self-insured funding levels to the 80% acceptable confidence level based on actuarial analysis. Also included is \$2.0 million in interest earnings, an estimated \$1.6 million increase over last year based on anticipated fund balances, and \$36,500 in anticipated subrogation and claims cost recovery revenue.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Confidence level achieved in self-insured funds as determined by actuarial analysis.	70%	70%	80%



## ARROWHEAD REGIONAL MEDICAL CENTER

### Colene Haller

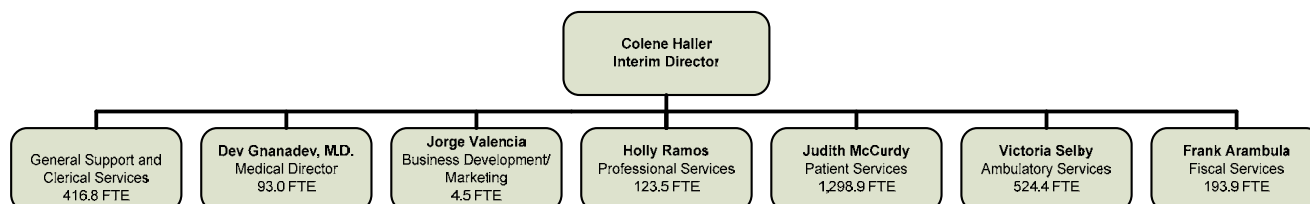
#### MISSION STATEMENT

The San Bernardino County "Arrowhead Regional Medical Center" (ARMC) is a safety net hospital with the primary mission of providing quality healthcare, a basic necessity of humankind, to the residents of San Bernardino County. We continuously strive to improve the health of the communities we serve and become the provider of choice for healthcare delivery and education.

#### STRATEGIC GOALS

1. Ensure the health and safety of County residents by increasing access to healthcare services through Outpatient and Emergency Room Visits.
2. Improve access to higher-level healthcare services for County residents through increased admissions in Acute Care.
3. Secure hospital financial health through efficient reimbursement policies and optimizing available revenue streams.
4. Reduce cost inefficiencies through containment opportunities and strategies to ensure effective hospital operations.
5. Enhance services and operations through continued improvement of Information Technology Infrastructure.
6. Continue improving customer satisfaction.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

	2007-08				
	Operating Exp/ Appropriation	Revenue	Fund Balance	Revenue Over/ (Under) Exp	Staffing
<b><u>Enterprise Funds</u></b>					
Arrowhead Regional Medical Center	364,137,592	361,614,538		(2,523,054)	2,656.0
Total Enterprise Funds	364,137,592	361,614,538	-	(2,523,054)	2,656.0
<b><u>Special Revenue Funds</u></b>					
Archstone Foundation Grant	42,012	10,802	31,210		-
Total Special Revenue Funds	42,012	10,802	31,210		-
<b><u>Other Agencies</u></b>					
Tobacco Tax	2,052,057	1,717,828	334,229		-
Total Other Agencies	2,052,057	1,717,828	334,229		-
<b>Total - All Funds</b>	<b>366,231,661</b>	<b>363,343,168</b>	<b>365,439</b>	<b>(2,523,054)</b>	<b>2,656.0</b>

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



## Arrowhead Regional Medical Center

### DESCRIPTION OF MAJOR SERVICES

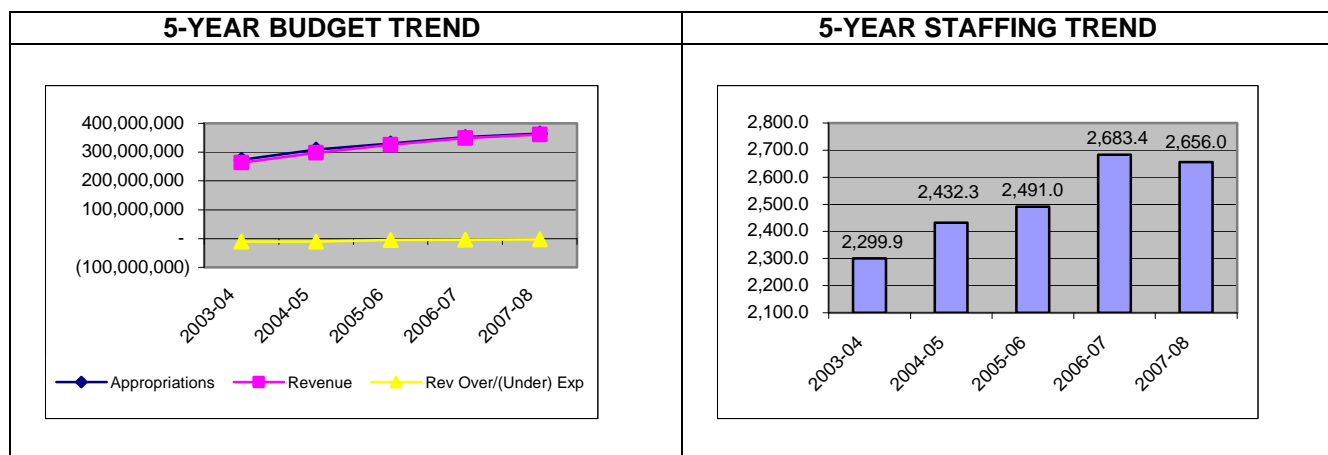
Arrowhead Regional Medical Center (ARMC) is a state of the art, acute care facility embracing advanced technology in all patient and support areas. ARMC offers the latest in patient care by providing a full range of inpatient and outpatient services, three off campus community health centers, Department of Behavioral Health's inpatient activities and numerous specialty services. Freeway access, shuttle service and close proximity to an Omnitrans bus hub make ARMC convenient to county residents.

The Hospital and Behavioral health facilities are comprised of 373 (90 Behavioral Health and 283 Hospital) inpatient rooms, most of which are private. The Emergency Department is a Level II Trauma Center and consists of 15 observation rooms, 8 treatment rooms, 3 law enforcement holding rooms, 8 trauma rooms and a 9 bay Rapid Medical Emergent Treatment area to expedite treatment and improve throughput. The helicopter landing area can accommodate both standard medi-vac helicopters and military helicopters. The outpatient care center consists of 109 examination rooms and 8 procedure rooms.

**Inpatient Care:** Inpatient services provide curative, preventative, restorative and supportive care for general and specialty units within the General Acute Care Hospital, Behavioral Health Hospital and Home Health. Care is coordinated among multiple care providers responsible for patient care twenty-four hours a day. Nursing functions as a primary interface with patients, families and others and is often the interpreter for the hospital experience and treatment plan. Education is a primary focus and ARMC offers numerous Residency Programs for the training of physicians in Family Practice, Emergency Medicine, Surgery, Neurosurgery, Women's Health, and Internal Medicine.

**Outpatient Services:** Outpatient Care is an integral part of our multifaceted healthcare delivery system offering a wide range of emergency, primary, preventive, chronic, follow-up and specialty care in an ambulatory care setting. Visits have exceeded 250,000 annually without the Emergency Room volume.

### BUDGET HISTORY



### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	285,852,123	307,053,858	338,756,350	355,638,294	361,627,168
Departmental Revenue	280,930,687	303,214,159	325,302,143	352,029,875	358,305,122
Revenue Over/(Under) Exp	(4,921,436)	(3,839,699)	(13,454,207)	(3,608,419)	(3,322,046)
Budgeted Staffing				2,683.4	
Fixed Assets	1,640,973	1,314,030	1,539,482	2,608,113	2,401,921

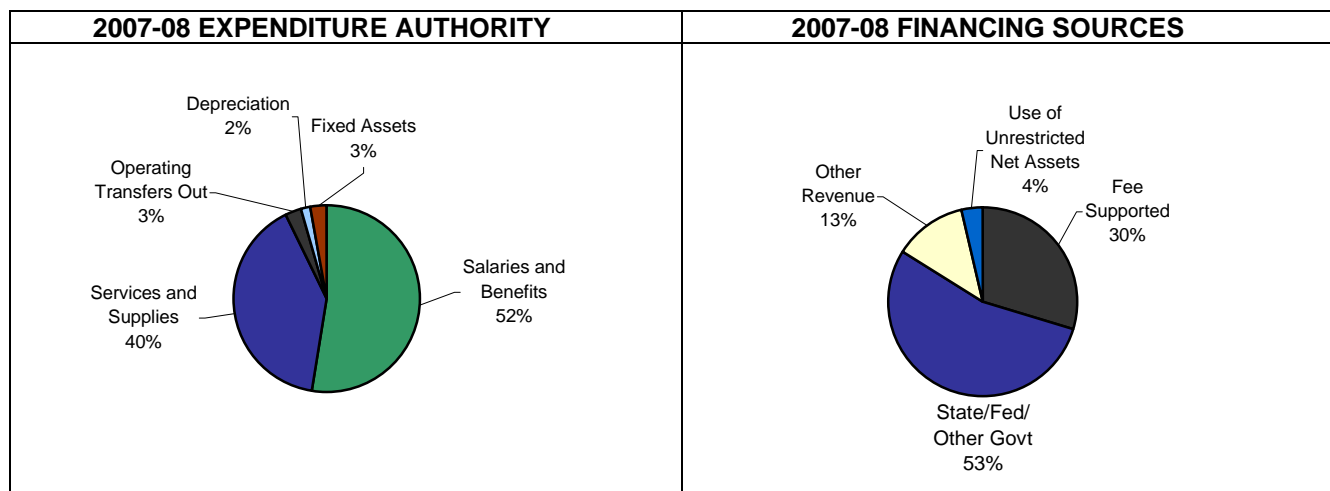


Appropriation for 2006-07 is projected to be \$361,627,168 versus a modified budget of \$355,638,294. This is an unfavorable variance of \$5,988,874 and is primarily related to Physician fees and supply expense. There was an aggressive plan to reduce supply expense over the course of the year that did not materialize. The plan included the review of distribution processes of supplies to various hospital departments, cost analysis of existing supplies contracts, and an assessment of materials management infrastructure and staff. These components are now being implemented and incorporated into the 2007-08 budget.

Departmental revenue for 2006-07 is projected to be \$358,305,122 and includes \$164,565,826 of state funding, \$32,329,232 of federal funding, \$104,647,668 of current services, \$4,366,297 of other revenue, \$7,464,000 of one-time 2005-06 SB 1100 Safety Net Care Pool revenue adjustment, and \$44,932,099 of realignment. The increase of \$6,275,247 over modified budget is primarily due to the unanticipated receipt of the SB 1100 funding adjustment. Realignment is currently funding departmental revenue at a level \$4,429,906 over budget. ARMC administration is currently analyzing this funding deficit and will attempt to mitigate this problem by fiscal year-end.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
 DEPARTMENT: Arrowhead Regional Medical Center  
 FUND: Medical Center

BUDGET UNIT: EAD MCR  
 FUNCTION: Health and Sanitation  
 ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	139,529,219	154,101,291	175,477,648	190,618,498	190,163,232	196,713,824	6,550,592
Services and Supplies	122,188,037	130,590,559	146,463,897	152,881,932	144,025,461	149,992,752	5,967,291
Central Computer	587,180	773,607	910,103	1,225,286	1,075,193	1,283,275	208,082
Other Charges	955,137	1,092,532	1,026,124	867,665	1,120,937	849,907	(271,030)
Transfers	900,656	905,863	974,489	1,194,750	1,149,440	1,573,867	424,427
Total Appropriation	264,160,229	287,463,852	324,852,261	346,788,131	337,534,263	350,413,625	12,879,362
Depreciation	11,012,812	6,049,319	5,904,089	5,723,967	6,216,532	5,723,967	(492,565)
Operating Transfers Out	10,679,082	13,540,687	8,000,000	9,115,070	8,812,500	8,000,000	(812,500)
Total Requirements	285,852,123	307,053,858	338,756,350	361,627,168	352,563,295	364,137,592	11,574,297
<b>Departmental Revenue</b>							
Use Of Money and Prop	-	683	126	-	-	-	-
State, Fed or Gov't Aid	179,182,389	192,662,185	181,560,624	204,359,058	206,320,263	202,967,028	(3,353,235)
Current Services	84,686,128	84,747,673	93,242,062	104,647,668	98,916,441	111,540,583	12,624,142
Other Revenue	578,570	6,174,868	10,814,880	4,366,297	4,473,197	4,530,828	57,631
Total Revenue	264,447,087	283,585,409	285,617,692	313,373,023	309,709,901	319,038,439	9,328,538
Operating Transfers In	16,483,600	19,628,750	39,684,451	44,932,099	39,187,500	42,581,099	3,393,599
Total Financing Sources	280,930,687	303,214,159	325,302,143	358,305,122	348,897,401	361,619,538	12,722,137
Rev Over/(Under) Exp	(4,921,436)	(3,839,699)	(13,454,207)	(3,322,046)	(3,665,894)	(2,518,054)	1,147,840
Budgeted Staffing					2,683.4	2,656.0	(27.4)
<b>Fixed Assets</b>							
Equipment	1,201,198	961,224	1,039,732	1,057,475	1,000,000	9,227,997	8,227,997
L/P Equipment	439,775	352,806	499,750	1,344,446	1,550,638	1,664,795	114,157
Total Fixed Assets	1,640,973	1,314,030	1,539,482	2,401,921	2,550,638	10,892,792	8,342,154

Salaries and benefits of \$196,713,824 fund 2,656.0 positions and are increasing by \$6,550,592 primarily resulting from a \$3,021,066 increase for annual step increases, \$1,774,247 increase in retirement benefits and other costs associated with MOU rate adjustments. Staffing decreased by 27.4 primarily due to a decrease of 16.0 Radiology Program Trainees/Interns (interns in this program are no longer compensated), a transfer of 2.0 Human Resource Officers to the County Human Resources Department, a decrease of 6.4 nursing positions to cover additional costs associated with the mid-year conversion of Per-diem Registered Nursing positions to regular positions, and the remaining net decrease of 3.0 due to various staffing adjustments based on departmental needs.



Services and supplies of \$149,992,752 includes \$49,899,272 for contracted services such as physicians and other professional services, \$56,089,818 for medical and pharmacy supplies, \$7,178,076 for malpractice insurance, with the balance of \$36,825,586 for other operational expenses such as utilities, insurance, equipment, maintenance and leases. The net increase of \$5,967,291 is primarily due to a \$2,408,095 increase in physicians' contracts and a \$3,108,655 increase for medical and pharmacy supplies.

Other charges of \$849,907 represents payments to non-contracted Medically Indigent providers and the decrease of \$271,030 is primarily due to the increased utilization of our contracted providers.

Transfers of \$1,573,867 includes \$948,695 for the salaries and benefits costs associated with a Human Resources Officer (HRO) I and II and the hospital's shared portion of the costs for a Healthcare Division IS Chief, and the remaining \$625,172 is primarily for office lease space. The increase of \$424,427 is due to the transfer of the two HRO's from the hospital's budget to Human Resources. The hospital now transfers funds to cover these positions.

Depreciation of \$5,723,967 represents forecasted depreciation for existing equipment of \$5,073,967 plus an additional \$650,000 for budgeted equipment purchases. Equipment is depreciated over the Medicare recommended useful life utilizing the straight-line method. To date, ARMC has not set aside or budgeted funds for equipment replacement at the same rate of depreciation. As a result, equipment replacement costs will be have a negative impact on operations now and in years to come as equipment reaches the end of its useful life.

Operating transfers out of \$8,000,000 is for the Medical Center Debt Service and represents ARMC's contribution from operations. The decrease of \$812,500 is due to a decrease in transfers to Architecture and Engineering for capital improvement projects completed in 2006-07. A detailed description of the Medical Center Debt Service is available in the County Administrative Office's Medical Center Lease Payments budget unit on page 33.

Revenue in the amount \$319,038,439 includes \$202,967,028 in state and federal aid primarily from Medi-Cal, Medicare, \$111,540,583 in current services from private pay patients and insurance, and \$4,530,828 in other revenue from cafeteria sales, interest, miscellaneous grants, and services provided to other county departments and hospitals. State Aid includes \$148,926,754 in Medi-Cal Inpatient revenue, an increase of \$2,844,487, and \$17,831,634 in Medi-Cal Outpatient, a decrease of \$1,713,325. The decrease in outpatient revenue is due to the correction of methodology in forecasting patient volume as used in 2006-07, volume for 2007-08 is not decreasing. Federal Aid includes \$26,004,560 of Medicare Inpatient revenue, a \$3,551,727 decrease, \$7,419,359 of Medicare Outpatient revenue, a \$1,043,028 decrease, and \$711,997 of grant revenue for the purchase of a linear accelerator. The decreases of both inpatient and outpatient Medicare revenue is due to the correction of methodology in forecasting patient volume and revenue in 2006-07, volume for 2007-08 is not decreasing. Current services revenue includes \$61,842,787 of commercial insurance inpatient revenue, an increase of \$7,193,270, and \$16,133,117 of commercial insurance outpatient revenue, an increase of \$5,070,742. The increase in commercial insurance revenue is primarily due to an anticipated 7% insurance rate increase. The net increase of \$9,328,538 is primarily due to the adjustments detailed above.

Operating transfers in of \$42,576,099 reflect the Realignment contribution to the operations of the hospital and includes \$34,820,000 for operations, \$2,550,000 for the Medically Indigent program, \$2,292,000 in one-time funding for the purchase of a linear accelerator, \$1,724,000 in one-time funding for the purchase of an open MRI, and \$1,190,099 in one-time funding for the automated pharmacy program. The allocation of realignment for operations of \$34,820,000 was decreased by \$1.0 million from 2006-07 due to the additional funding being one-time funds and not on-going.

Currently, ARMC has an operating deficit of \$7,691,879. ARMC Administration will continue to analyze current operations to identify additional areas of cost savings and available funding to mitigate this shortfall. This shortfall can be primarily attributed to the lack of cost containment over the last few years, failure to budget and plan for necessary equipment replacement, and an increase in contracted physician expenses. Upon the identification of the key areas of concern, ARMC will devise a plan for immediate action including an evaluation of staffing allocations, clinical programs, revenue maximization, cost initiatives including services and supplies, and the review of administrative and operational flows. In the event ARMC Administration is not able to mitigate this operating deficit, realignment revenue is available, however these funds are programmed for the ARMC Campus Reconfiguration and the project's funding could be jeopardized.





Fixed assets of \$10,892,792 include \$9,227,997 for equipment and \$1,664,795 for lease purchase equipment. Equipment includes \$3,003,997 for the purchase of a linear accelerator, \$1,724,000 for the purchase of an open MRI and \$4,500,000 to replace aging equipment that has been in place since the opening of the facility in March 1999.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percentage decrease in ER patients leaving without being seen (10,950 patients in 2005-06).	16%	16%	25%
Reinitiate tattoo removal clinic.	NEW	250	500
Percentage increase in outpatient rehab volume (18,860 visits in 2005-06).	NEW	0%	5%
Percentage increase in number of deliveries (3780 in 2005-06).	1%	6%	3%
Separate billing for Direct Observation Unit (admits to unit, not in %).	NEW	728%	1500%
Percentage decrease in third party nurse staffing assistance (3.4 million spent in 2005-06).	-25%	-48%	-14%
Improvement in Patient Satisfaction scores from patient questionnaires (based on overall patient satisfaction where > 81.61% is desired).	83%	80%	83%



## Tobacco Tax Funds

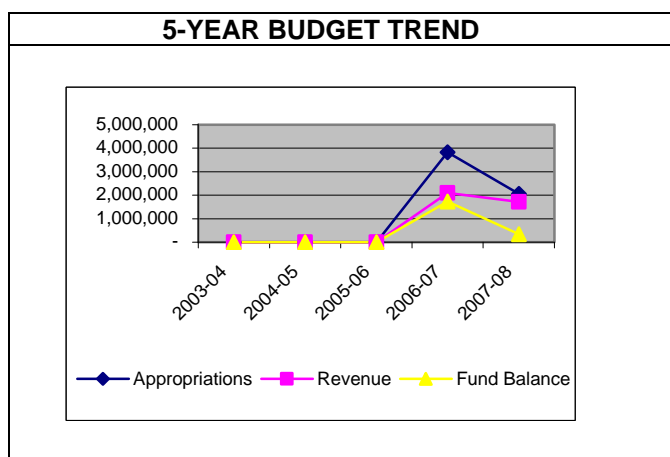
### DESCRIPTION OF MAJOR SERVICES

In November 1988, California Voters approved the California Tobacco Health Protection Act of 1988, also known as Proposition 99. This referendum increased the state cigarette tax by 25 cents per pack and added an equivalent amount on other tobacco products. The new revenues were earmarked for programs to reduce smoking, to provide health care services to indigents, to support tobacco-related research, and to fund resource programs for the environment.

Arrowhead Regional Medical Center (ARMC) established the county tobacco tax funds in Fiscal Year 1989-90 to facilitate the transfer of Tobacco Tax monies to the county hospital, non-county hospitals, and physicians, when notified and as required by the State.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



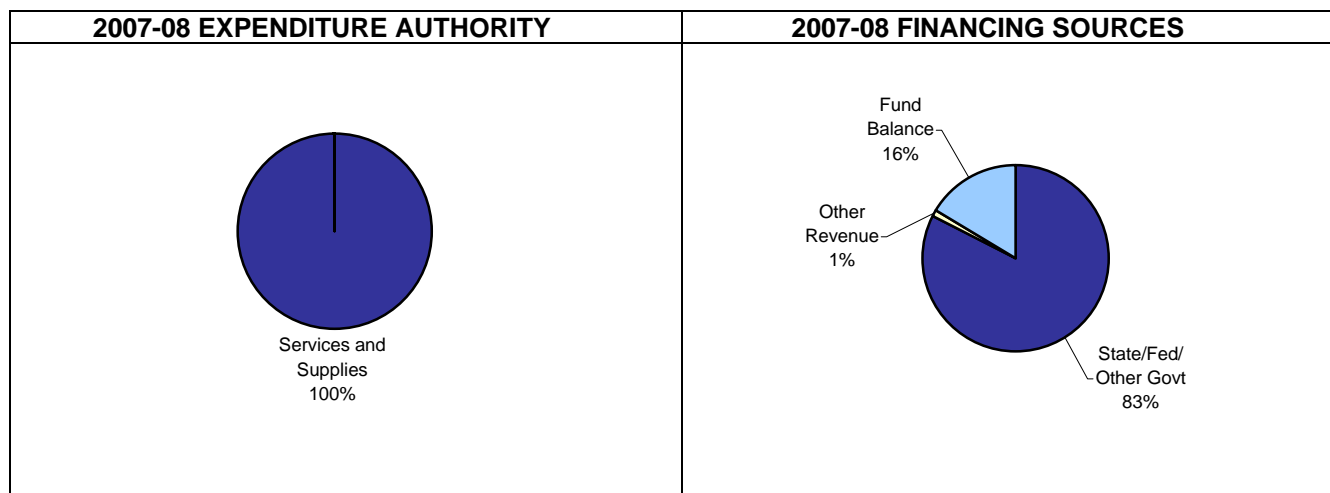
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,412,872	1,531,718	1,409,364	-	2,850,068
Departmental Revenue	1,742,696	1,483,549	2,978,137	-	1,453,855
Fund Balance				-	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget. Appropriation in this budget unit consist of service and supplies expense which is for physician and hospital expenses for the care of indigents. Expenditures were less than budgeted due to the State requiring a decreased amount of transfers to physicians and hospitals than expected. Revenues were less than budgeted due to an unanticipated lower level of funding from the State.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Arrowhead Regional Medical Center  
FUND: Tobacco Tax Funds

BUDGET UNIT: RGA through RGR, RHB  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	2,412,872	1,531,718	1,407,500	2,850,068	3,344,714	2,052,057	(1,292,657)
Transfers	-	-	1,864	-	-	-	-
Contingencies	-	-	-	-	482,652	-	(482,652)
Total Appropriation	2,412,872	1,531,718	1,409,364	2,850,068	3,827,366	2,052,057	(1,775,309)
<b>Departmental Revenue</b>							
Use Of Money and Prop	14,584	4,796	20,673	63,523	45,000	24,600	(20,400)
State, Fed or Gov't Aid	1,727,418	1,478,753	2,955,601	1,379,390	2,051,924	1,693,228	(358,696)
Other Revenue	694	-	-	9,488	-	-	-
Other Financing Sources	-	-	1,863	1,454	-	-	-
Total Revenue	1,742,696	1,483,549	2,978,137	1,453,855	2,096,924	1,717,828	(379,096)
Fund Balance					1,730,442	334,229	(1,396,213)

Services and supplies of \$2,052,057 represent anticipated allocation amounts determined by the state and allocated to contracted hospitals and physicians. In 2006-07, services and supplies were higher than normal due to a large fund balance carryover from 2005-06 which was the result of funds not being dispersed. The funds were dispersed in 2006-07 in addition to the normally scheduled disbursements which caused an increase in appropriations for services and supplies. The decrease of \$1,292,657 for 2007-08 represents the annual disbursements leveling off to anticipated annual amounts.

Contingencies were not budgeted and decreased by \$482,652 based on fund balance.

Departmental revenue in the amount of \$1,717,828 includes \$1,693,228 from the State and \$24,600 in interest. The decrease of \$379,096 primarily represents an anticipated reduction in program funding from the State.



## Archstone Foundation Grant

### MISSION STATEMENT

The medical staff of Arrowhead Regional Medical Center (ARMC), developed and operate ARMC's Dependent Adult and Elder Abuse Program that is funded with Archstone Foundation grant monies.

### STRATEGIC GOALS

1. Establish a coordinating body representing leadership from ARMC, Department of Aging and Adult Services, and the District Attorney Elder Abuse Unit.
2. Develop internal and external training for program professionals and key members of an interdisciplinary team.
3. Develop a mechanism for ongoing referral of dependent adults and elders suspected of being mistreated from local protective agencies to ARMC medical team for the purpose of assessment and treatment.
4. Establish a multidisciplinary team meeting schedule.

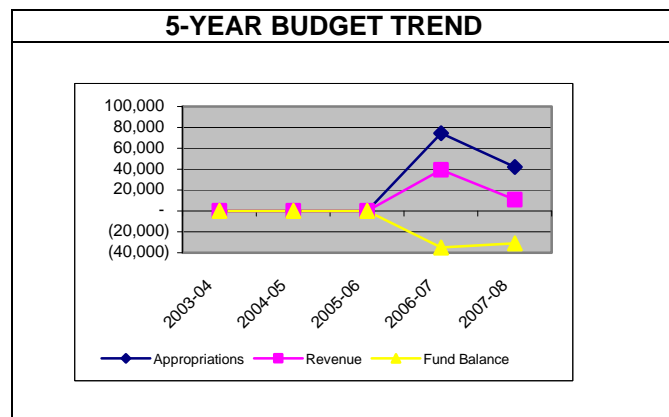
### DESCRIPTION OF MAJOR SERVICES

Arrowhead Regional Medical Center (ARMC) established this fund in 2005-06 to facilitate the receipt of grant funds from the Archstone Foundation. The Archstone Foundation is a private grant-making organization, whose mission is to contribute towards the preparation of society in meeting the needs of an aging population. The grant was issued to provide ARMC with the resources necessary to incorporate a medical consultation element into existing county efforts in the area of elder abuse and neglect. The funds are required to be deposited into interest-bearing accounts, with all proceeds to be spent on prevention and detection of elder abuse and neglect.

ARMC anticipates receiving approximately a total of \$78,012, plus interest, for the two-year program, and is projecting receipts of \$10,802 in 2007-08. All funds received are expected to be distributed by the end of 2007-08.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



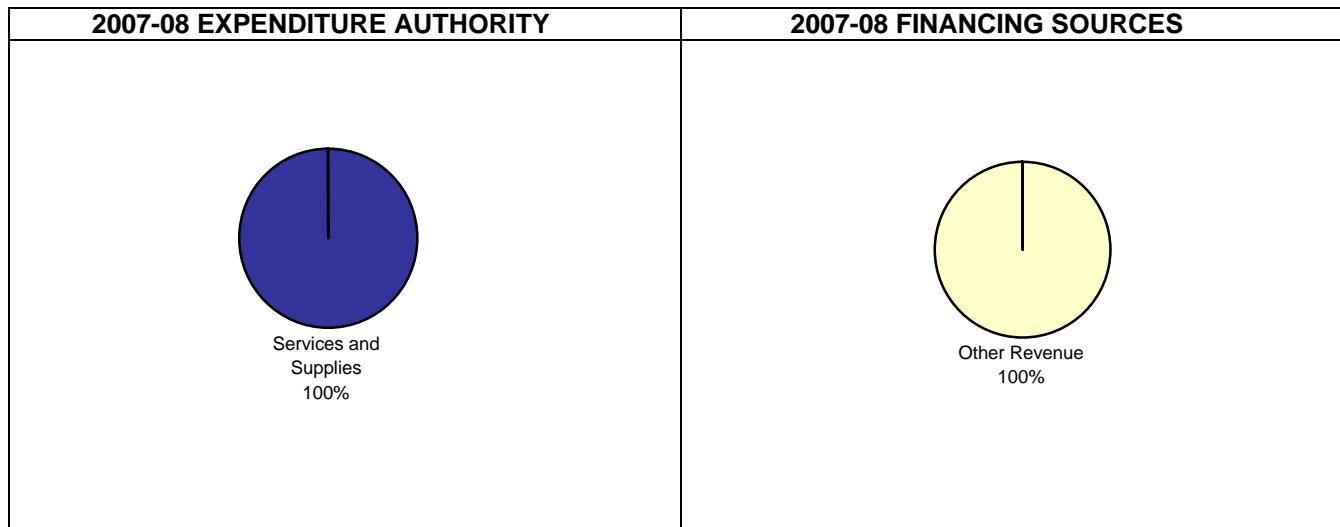
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	-	-	74,411	42,000
Departmental Revenue	-	-	35,105	39,306	38,105
Fund Balance				35,105	

The first grant funds were received late in 2005-06 in the amount of \$35,105, prior to the inception of program-related activities. Grant proceeds of \$35,105 plus an estimated \$3,000 in interest revenue were received in 2006-07, with \$7,802 in grant funds and \$3,000 in interest revenue anticipated in 2007-08. All initial benchmarks were accomplished during 2006-07 and the mature program is expected to complete its work in 2007-08.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Arrowhead Regional Medical Center  
FUND: Archstone Foundation Grant

BUDGET UNIT: RMT MCR  
FUNCTION: Health and Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Services and Supplies	-	-	-	42,000	74,411	42,012	(32,399)
Total Appropriation	-	-	-	42,000	74,411	42,012	(32,399)
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	-	-	-	3,000	300	3,000	2,700
Other Revenue	-	-	35,105	35,105	39,006	7,802	(31,204)
Total Revenue	-	-	35,105	38,105	39,306	10,802	(28,504)
Fund Balance					35,105	31,210	(3,895)

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriation in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.

Services and Supplies of \$42,012 include payments to ARMC Geriatric team to cover expenses incurred for Archstone Foundation activities including salaries, travel, training and other incidental expenses.

Departmental revenue of \$10,802 include grant receipts of \$7,802 and interest of \$3,000. The decrease of \$28,504 primarily represents a decrease in grant funding as the program is in its last year.



## BEHAVIORAL HEALTH

### Allan Rawland

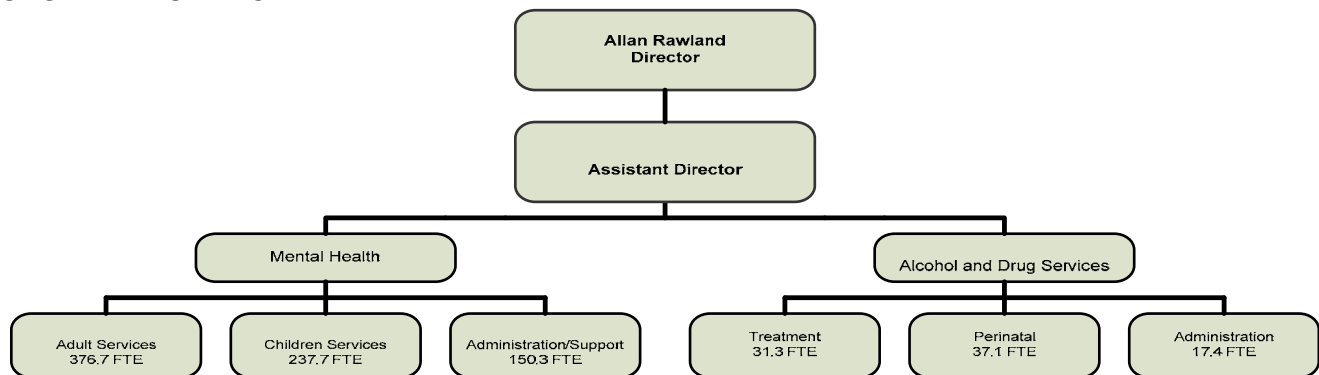
#### MISSION STATEMENT

The Department of Behavioral Health (DBH) will help individuals living with the problems of mental illness and substance abuse to find solutions to challenges they face so that they may function well within their families and the community. The DBH staff will be sensitive to and respectful of all clients, their families, culture and languages. The DBH will use the taxpayers' money wisely to meet its goals while following all governmental guidelines and requirements. The DBH will provide a pleasant workplace for its staff members so that they may be creative and effective in their jobs. The DBH will provide a pleasant environment for clients in which to receive services.

#### STRATEGIC GOALS

1. Increase access to Behavioral Health services for individuals that are unserved or who are receiving a limited level of services.
2. Increase customer service education for all county and contract staff that promotes the mission of the county and the department.
3. Increase access to community behavioral health services for adolescents with mental health illness who are involved in the juvenile justice system.
4. Increase cultural competency training for all county and contract staff that promotes the mission of the county and the department.
5. Integrate Mental Health and Alcohol and Drug Services into co-located clinics in order to increase client access to services and provide better care.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

	2007-08				
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<b>General Fund</b>					
Behavioral Health	178,518,273	176,675,520	1,842,753		766.7
Alcohol and Drug Services	22,108,176	21,958,718	149,458		85.8
<b>Total General Fund</b>	<b>200,626,449</b>	<b>198,634,238</b>	<b>1,992,211</b>		<b>852.5</b>
<b>Special Revenue Funds</b>					
Mental Health Services Act	40,277,116	20,624,815		19,652,301	-
Driving Under the Influence Programs	310,394	122,000		188,394	-
Block Grant Carryover Program	3,774,810	1,384,560		2,390,250	-
Court Alcohol and Drug Program	1,072,843	391,000		681,843	-
Proposition 36	6,360,846	6,207,773		153,073	-
<b>Total Special Revenue Funds</b>	<b>51,796,009</b>	<b>28,730,148</b>	<b>-</b>	<b>23,065,861</b>	<b>-</b>
<b>Total - All Funds</b>	<b>252,422,458</b>	<b>227,364,386</b>	<b>1,992,211</b>	<b>23,065,861</b>	<b>852.5</b>

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.



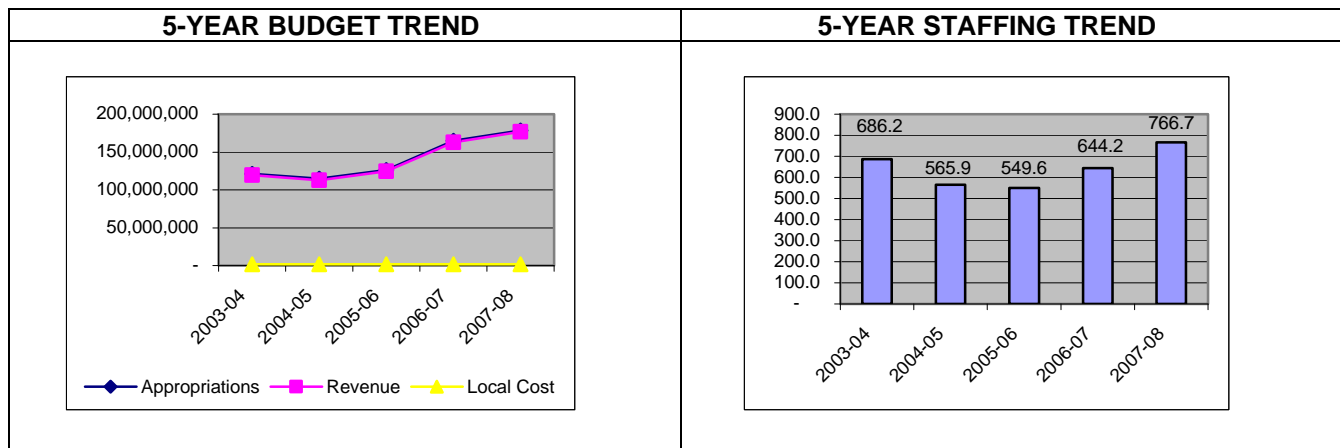
## Behavioral Health

### DESCRIPTION OF MAJOR SERVICES

The DBH is responsible for providing mental health services to county residents who are either unable to afford treatment or do not live in proximity to private services. Treatment is provided to all age groups, with primary emphasis placed on treating children, families and chronically mentally ill adults (in that priority). Services are delivered throughout the county via a network of department-operated clinics, community based contract providers (residential and psychiatric skilled nursing facilities and acute hospitals), public schools, and other community-based settings. Services include: information and referrals, community outreach, client self-help and support groups, a variety of children's programs, mentally ill homeless program, employment services, case management, crisis and transitional residential assistance, augmented board and care placements, conservatorship services, supportive housing services and client transportation assistance. The department also operates as a training setting by administering various internship programs and offering continuing education for licensed department and contractor staff.

The Mental Health Services Act of 2005 (MHSA), passed by the California voters in November 2004, has given San Bernardino County and the Department of Behavioral Health the opportunity to build a "system of care and treatment" that will efficiently and effectively serve all clients, especially to ensure access to behavioral health services for populations and individuals that are unserved or who are receiving a limited level of services from the present programs due to the lack of adequate funding and/or the various restrictions on the use of those funds. The particular populations include individuals who are homeless and/or incarcerated in jails or juvenile halls, who are in out-of-home and out-of-county placements, isolated in their homes, failing in school, or in other institutional care facilities. These populations also include individuals and families who are from racial and ethnic communities who are not adequately served by the behavioral health system.

### BUDGET HISTORY



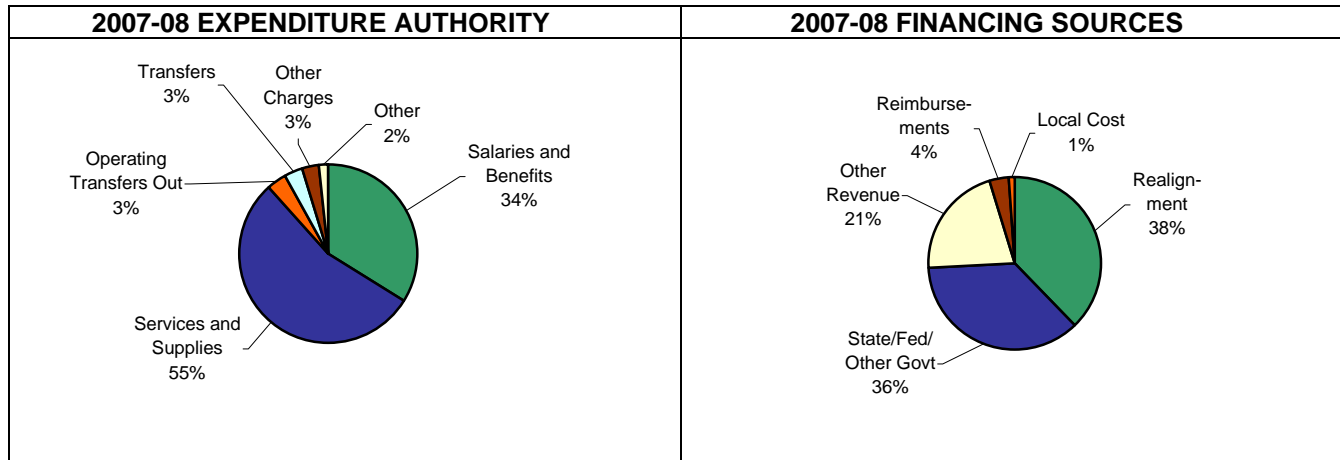
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	117,902,648	111,570,782	119,212,075	165,297,692	136,586,477
Departmental Revenue	116,059,895	109,020,466	117,369,322	163,454,939	134,786,714
Local Cost	1,842,753	2,550,316	1,842,753	1,842,753	1,799,763

Estimated appropriation and departmental revenue for 2006-07 are less than modified budget primarily due to (1) salary savings resulting from staff turnover, delays in filling positions and delays in establishing new MHSA funded programs, (2) contracted services are less than estimated due to delays in contracting for new MHSA funded programs, and (3) full Implementation of MHSA programs is not expected to occur this fiscal year as anticipated.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Behavioral Health  
**FUND:** General

**BUDGET UNIT:** AAA MLH  
**FUNCTION:** Health & Sanitation  
**ACTIVITY:** Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	42,328,702	38,684,994	41,926,392	50,481,132	54,051,968	62,892,608	8,840,640
Services and Supplies	62,786,823	60,247,931	66,401,328	74,364,189	98,865,273	101,201,834	2,336,561
Central Computer	407,902	523,431	520,717	640,543	640,543	677,544	37,001
Other Charges	5,148,542	4,799,719	3,806,988	3,722,928	4,282,033	5,604,960	1,322,927
Equipment	-	-	66,172	80,800	80,800	91,200	10,400
Vehicles	-	-	-	590,000	590,000	288,091	(301,909)
Capitalized Software	-	-	-	-	-	1,992,120	1,992,120
Transfers	4,511,462	4,609,161	4,940,050	5,952,850	5,619,797	6,420,441	800,644
Total Exp Authority	115,183,431	108,865,236	117,661,647	135,832,442	164,130,414	179,168,798	15,038,384
Reimbursements	(3,998,290)	(4,477,326)	(5,190,283)	(5,686,717)	(5,668,925)	(7,091,277)	(1,422,352)
Total Appropriation	111,185,141	104,387,910	112,471,364	130,145,725	158,461,489	172,077,521	13,616,032
Operating Transfers Out	6,717,507	7,182,872	6,740,711	6,440,752	6,360,753	6,440,752	79,999
Total Requirements	117,902,648	111,570,782	119,212,075	136,586,477	164,822,242	178,518,273	13,696,031
<b>Departmental Revenue</b>							
Realignment	62,415,095	41,823,063	52,080,249	65,277,815	67,252,313	70,019,971	2,767,658
State, Fed or Gov't Aid	52,670,737	65,324,545	63,544,174	62,002,336	66,494,882	67,509,588	1,014,706
Current Services	306,141	200,403	237,453	124,118	190,156	190,156	-
Other Revenue	645,202	1,645,422	568,819	436,391	1,141,258	650,000	(491,258)
Other Financing Sources	22,720	27,033	-	-	-	-	-
Total Revenue	116,059,895	109,020,466	116,430,695	127,840,660	135,078,609	138,369,715	3,291,106
Operating Transfers In	-	-	938,627	6,946,054	27,900,880	38,305,805	10,404,925
Total Financing Sources	116,059,895	109,020,466	117,369,322	134,786,714	162,979,489	176,675,520	13,696,031
Local Cost	1,842,753	2,550,316	1,842,753	1,799,763	1,842,753	1,842,753	-
Budgeted Staffing					644.2	766.7	122.5

Salaries and benefits of \$62,892,608 fund 766.7 positions, of which \$12,499,881 or 156.3 positions are funded by the MHSA. An increase of \$8,840,640 has been included to fund full-year cost of positions added during the fiscal year which increased budgeted staffing by 77.5, MOU and step increases, as well as 45.0 new positions primarily for MHSA for 2007-08.





Services and supplies of \$101,201,834 include \$73,819,422 in contracts with approximately \$19 million or 25% is funded by MHSA, \$4,302,150 for the managed care fee-for-service network, \$4,534,548 for remote pharmacy services for indigents and jail population without third party insurance, \$2,229,635 for Incorporated Doctor payments, \$2,034,165 for CCS Treatment, \$4,694,280 for inventoriable equipment with approximately 80% for MHSA funded programs and 20% for DBH annual one-third replenishment plan, and the balance for services and supplies necessary to conduct routine departmental business. The increase of \$2,336,561 is primarily due to one-time purchases of noninventoriable equipment and increases in other professional services.

Other charges of \$5,604,960 include \$2,237,531 in MHSA funding for client temporary housing and transportation and \$3,351,799 for State Hospital contracts. An increase of \$1,322,927 is primarily due to anticipation of full implementation of the MHSA plan and the increased need for housing and transportation.

Equipment of \$91,200 is budgeted for the purchase of new and replacement servers necessary to maintain the department Information Technology functions and six scanners will be purchased to continue the department's efforts in reducing paper records.

Vehicle budget of \$288,091 is for the purchase of 10 vehicles for MHSA programs as part of the state contract, primarily Children's Crisis Response Team (CCRT) and Older Adult program. The decrease of \$301,909 is due to the decrease in MHSA program need for vehicles.

Capitalized Software of \$1,992,120 includes appointment scheduler, data mining, Geographical Informational System and touch screen technology software for the MHSA program. These expenses are one-time in nature and were not budgeted in 2006-07 and are included this year for the full implementation of the MHSA program.

Transfers out of \$6,420,441 include \$4,665,285 for rents and leases, \$1,273,675 to reimburse Public Guardian for administration for conservatees, and other reimbursements to county departments primarily for salaries and benefits associated charges. The increase of \$800,644 includes increases of rents and leases, services provided by Human Resources such as advertising, and costs associated with the Alcohol and Drug Services and Offender Treatment Programs.

Reimbursements of \$7,091,277 include \$4,036,333 costs associated with the CalWORKs program, \$1,900,403 for administrative support and facility rent to Alcohol and Drug funded programs and \$1,154,541 for the Juvenile and Adult Mentally Ill Offender Crime Reduction grants. The increase of \$1,422,352 is primarily due to overall cost increases associated with various programs.

Operating transfers out of \$6,440,752 includes \$4,597,999 for managed care fee-for-service psychiatric inpatient services and \$1,842,753 for local cost offset. The increase of \$79,999 is due to cost increases associated with the managed care fee-for-service program.

Realignment of \$70,019,971 includes an increase of \$2,767,658 due to increases in COWCAP, salaries and benefits, MOU, and contracts.

State aid of \$63,810,682 includes Managed Care of \$11,040,135, Medi-Cal of \$38,833,744, EPSDT of \$9,500,000, Conditional Release Program of \$1,024,917, AB2034 Homeless Recovery of \$1,031,400, Superintendent of Schools AB2726 of \$1,180,486, SB90 Mandated Cost Reimbursement \$1,000,000, and First 5 funding for the Screening, Assessment, Referral & Treatment of \$200,000. The increase of \$1,014,706 is primarily due to annual program cost increases. Federal aid of \$219,393 includes Medicare inpatient services. Other governmental aid of \$3,479,513 includes SAMSHA block grant and PATH funding.

Charges for current services of \$190,156 primarily include health fees and private pay patient funds. Other revenue of \$650,000 includes Social Security reimbursements.

Operating transfers in of \$38,305,805 include MHSA transfers for full-year salary and benefit costs, contracts and service expansions in all existing DBH clinics. The increase of \$10,404,925 is due to 2007-08 being the first full year of MHSA programs being operational.



PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Admissions & bed days used in an institutional setting - decrease.	10%	12%	10%
Percentage of contract providers that successfully completed customer service training.	25%	25%	100%
Number of departmental employees certified to train department employees and contract providers in the CA. Brief Multi-Cultural Competency training.	New	New	10 employees
Percentage of clinic employees and contract providers that successfully complete the CA. Brief Multi-Cultural Competency training.	New	New	20%
Percentage increase in the penetration rate of ethnic and linguistic specific groups.	New	Black/AA 9.5%, Asian 8.4%	Increase 10%
Percentage of adolescents with mental illness and their families transitioning from Juvenile Hall receiving wraparound behavioral health services and supports in the community.	25%	12%	20%
Obtain required State Department of Alcohol & Drug & Medi-Cal certifications for the selected pilot clinic.	New	New	By 12/07
Provide two in-depth intensive training sessions on evidence-based practices for treating co-occurring disorders (% of staff).	New	New	75%



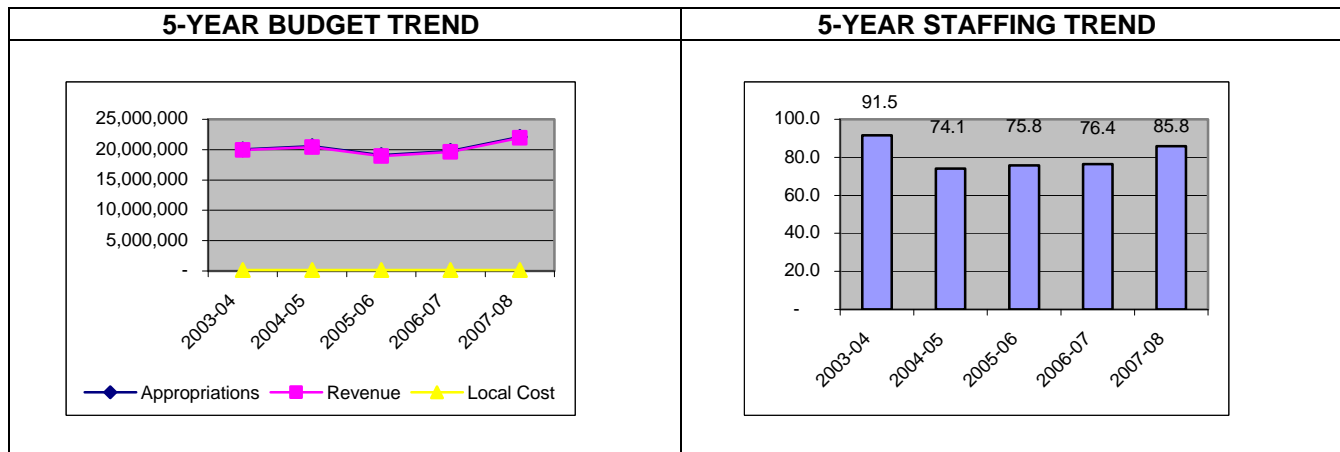
## Alcohol and Drug Services

### DESCRIPTION OF MAJOR SERVICES

The DBH Alcohol and Drug Services (ADS) program consists of comprehensive substance abuse prevention and treatment programs to county residents. Services are provided by 6 county operated clinics and approximately 30 contractors. The major components include outpatient, residential, prevention, methadone, and case management services. Annually, approximately 12,500 clients are served and over 80,000 hours of prevention services are performed.

Alcohol and Drug Services are primarily funded by federal block grant and state revenues (62%). The remaining sources of revenue are court fines for Driving Under the Influence (DUI) offenses, fees for services, San Bernardino County Administrative/Executive 2007-08 Business Plan Behavioral Health 53 and reimbursements provided by Human Services System (HSS) CalWORKs program and the Proposition 36 (Prop. 36) – Substance Abuse and Crime Prevention Act program. In addition, the county must fund the required maintenance of effort (MOE) for the block grant and state funds. The department's local cost of \$149,458 finances the required MOE.

### BUDGET HISTORY

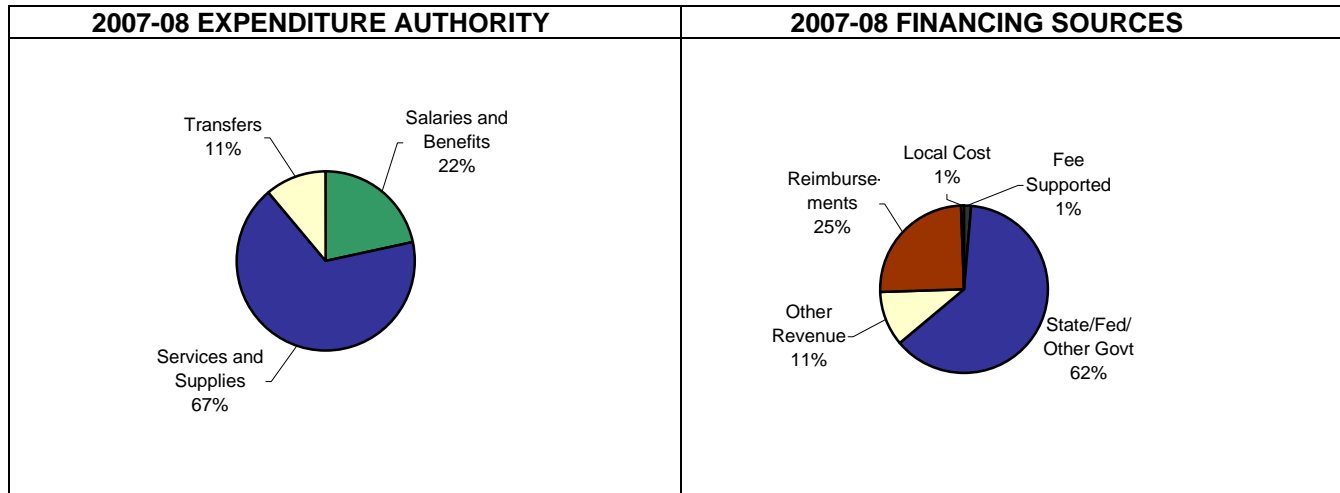


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	19,218,436	19,050,106	17,372,212	20,513,091	20,642,178
Departmental Revenue	19,068,977	18,900,649	17,222,754	20,363,633	20,492,720
Local Cost	149,459	149,457	149,458	149,458	149,458



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Alcohol & Drug Services  
**FUND:** General

**BUDGET UNIT:** AAA ADS  
**FUNCTION:** Health & Sanitation  
**ACTIVITY:** Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	4,228,395	3,835,104	4,366,585	5,505,201	5,492,505	6,372,443	879,938
Services and Supplies	18,394,226	18,997,932	18,133,430	18,863,347	18,250,405	19,731,871	1,481,466
Central Computer	-	-	-	-	-	64,518	64,518
Transfers	1,412,775	1,838,454	2,038,985	3,047,739	2,945,499	3,291,044	345,545
Total Exp Authority	24,035,396	24,671,490	24,539,000	27,416,287	26,688,409	29,459,876	2,771,467
Reimbursements	(4,816,960)	(5,621,384)	(7,166,788)	(6,774,109)	(6,905,538)	(7,351,700)	(446,162)
Total Appropriation	19,218,436	19,050,106	17,372,212	20,642,178	19,782,871	22,108,176	2,325,305
<b>Departmental Revenue</b>							
State, Fed or Gov't Aid	15,549,375	16,136,772	14,348,318	17,424,508	16,611,640	18,417,311	1,805,671
Current Services	354,411	399,153	387,089	399,807	353,000	402,000	49,000
Other Revenue	107,690	44,923	44,656	37,630	53,725	38,000	(15,725)
Total Revenue	16,011,476	16,580,848	14,780,063	17,861,945	17,018,365	18,857,311	1,838,946
Operating Transfers In	3,057,501	2,319,801	2,442,691	2,630,775	2,615,048	3,101,407	486,359
Total Financing Sources	19,068,977	18,900,649	17,222,754	20,492,720	19,633,413	21,958,718	2,325,305
Local Cost	149,459	149,457	149,458	149,458	149,458	149,458	-
Budgeted Staffing					76.4	85.8	9.4

Salaries and benefits of \$6,372,443 fund 85.8 positions and the increase of \$879,938 is primarily due to the addition of 9.4 new positions to monitor and provide technical assistance for contract and county providers, provide additional administrative support, and provide services in the perinatal programs. The increase will fund full-year cost of positions added during the fiscal year, MOU and Step increases.

Services and supplies of \$19,731,871 include \$18,748,071 for other professional and specialized services such as residential, outpatient, prevention, recovery, drug court and housing contracts with the balance including other services and supplies necessary for conducting ADS program services. The increase of \$1,481,466 is primarily due to increases in residential and outpatient contracts.



Transfers of \$3,291,044 include reimbursements to other county departments for services provided such Public Health, Probation, Courts, in addition to rents and salaries and benefits associated costs. The increase of \$345,545 is primarily due to new collaborative grants with Probation and the Superior Court of San Bernardino for the Offender Treatment and Dependency Drug Court programs.

Reimbursements of \$7,351,700 include transfers from other county departments that Department of Behavioral Health (DBH) provided services for such as the CalWORKs program and Department of Children Services. The increase of \$446,162 is due to an increase in CalWORKs reimbursements from Human Services.

Revenues of \$18,857,311 include state aid of \$6,782,274 such as Medi-Cal Outpatient, state aid for children, Dependency Drug Court Grant, and the Offender Treatment Program, federal aid of \$11,635,037 such as Prop 36 and various grants, charges for current services of \$402,000, and other revenue of \$38,000. The increase of \$1,838,946 is primarily due to the Offender Treatment Program for full year costs.

Operating transfers in of \$3,101,407 include DUI fines and transfers from DBH budget units SDH and SDC for ADS related services. The increase of \$486,359 is primarily due to a prior year carryover from the SDH budget. ADS also receives local cost funding of \$149,458.

## Mental Health Services Act

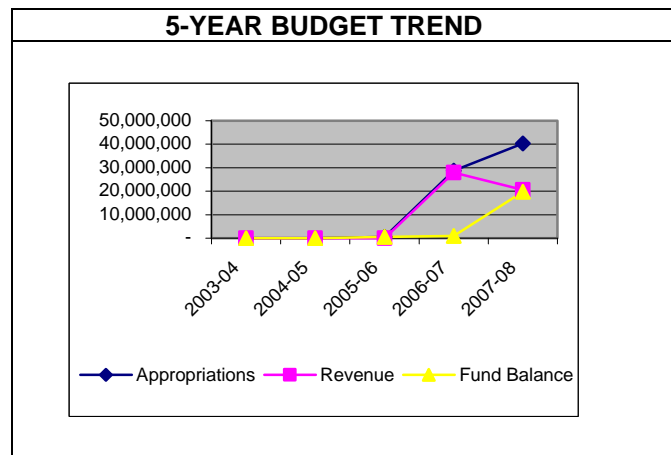
### DESCRIPTION OF MAJOR SERVICES

On November 2, 2004, voters passed Proposition 63, which established a state personal income tax surcharge of one percent on the portion of taxpayers' annual taxable income that exceeds \$1 million. The proposition was enacted into law as the Mental Health Services Act (MHSA) effective January 1, 2005. The overall purpose and intent is "to reduce the long-term adverse impact on individuals, families, and state and local budgets resulting from untreated serious mental illness...to insure that all funds are expended in the most cost effective manner...and to ensure accountability to taxpayers and to the public".

This special revenue fund was established in 2005-06. In 2005-06, the state approved the department's three-year plan. One-time and ongoing state funds received from the state were deposited into the fund, and were transferred to the Mental Health budget (MLH) as needed to cover staffing and other costs. In 2007-08, the Department of Behavioral Health anticipates receipt of one-time and ongoing state funds of \$20.6 million. The funds will be deposited into the special revenue fund and will be transferred to MLH as needed to fund new and expanded programs outlined in the three-year plan.

There is no staffing associated with this budget unit. This fund does not directly spend funds or provide services. It is strictly a financing budget with actual expenditures occurring within the operating budget unit of Behavioral Health (MLH).

### BUDGET HISTORY

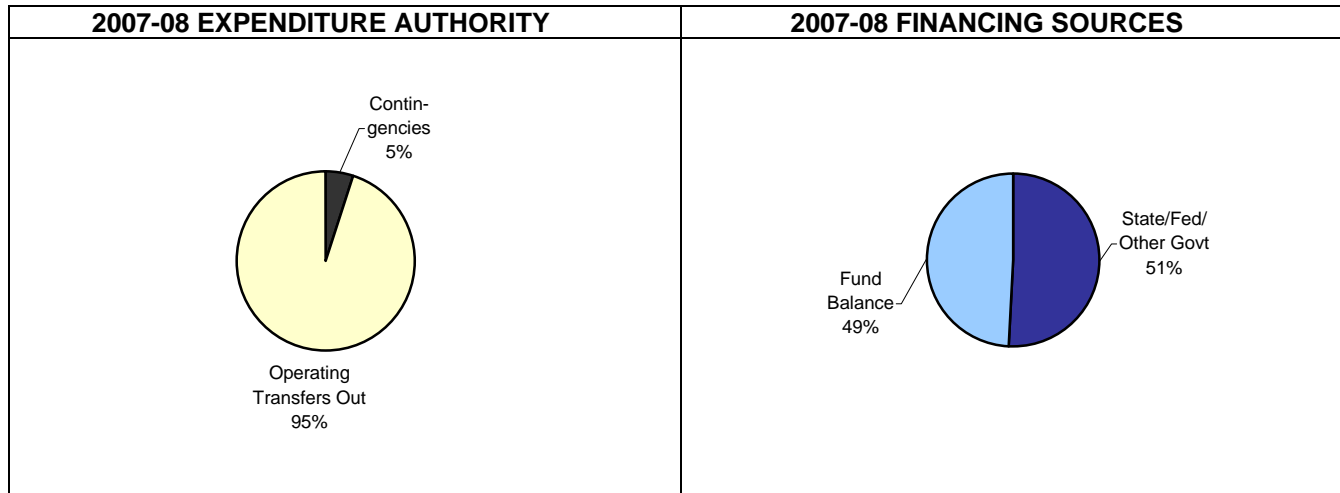


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	20,767	938,627	28,786,612	6,949,789
Departmental Revenue	-	557,971	1,287,155	27,900,880	25,753,519
Fund Balance				885,732	



## ANALYSIS OF PROPOSED BUDGET



**GROUP: Administrative/Executive**  
**DEPARTMENT: Behavioral Health**  
**FUND: MHSA Prop 63**

**BUDGET UNIT: RCT MLH**  
**FUNCTION: Health & Sanitation**  
**ACTIVITY: Hospital Care**

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	885,732	2,008,472	1,122,740
Total Appropriation	-	-	-	-	885,732	2,008,472	1,122,740
Operating Transfers Out	-	20,767	938,627	6,949,789	27,900,880	38,305,805	10,404,925
Total Requirements	-	20,767	938,627	6,949,789	28,786,612	40,314,277	11,527,665
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	-	225	19,844	175,534	-	175,534	175,534
State, Fed or Gov't Aid	-	-	1,267,311	25,577,985	27,900,880	20,449,281	(7,451,599)
Other Revenue	-	557,746	-	-	-	-	-
Total Revenue	-	557,971	1,287,155	25,753,519	27,900,880	20,624,815	(7,276,065)
Fund Balance					885,732	19,689,462	18,803,730

Contingencies of \$2,008,472 include an increase of \$1,122,740 based on fund balance.

Operating transfers out of \$38,305,805 includes transfers to the Department Behavioral Health's general fund budget unit to cover staffing and other costs associated with MHSA activities. The increase of \$10,404,925 represents full year costs for the MHSA program.

Departmental revenue of \$20,624,815 includes revenue received from the State for the MHSA program and interest revenue. The decrease of \$7,451,599 is due to one-time start-up funds received in 2006-07.



## Driving Under the Influence Programs

### DESCRIPTION OF MAJOR SERVICES

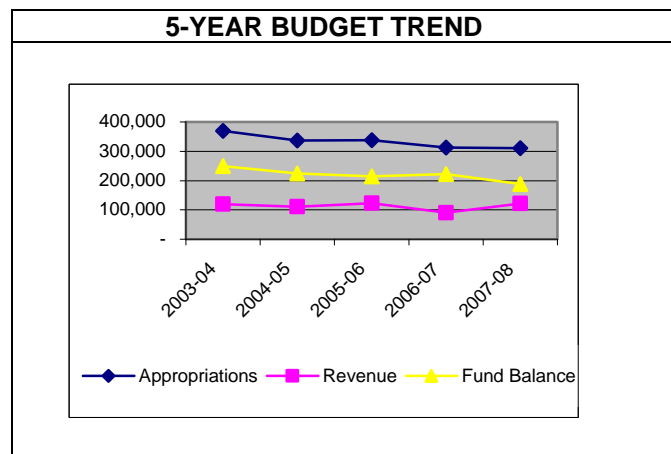
As per Title 9, Division 4, Chapter 3, 9878 (m) of the State regulations and Health and Safety Code 11837.8 (a), the Department of Behavioral Health charges fees to privately owned and operated vendors for monitoring Penal Code (PC) 1000 and Driving Under the Influence (DUI) programs. Supervision of these programs resides with the county as indicated by Vehicle Code Section 1660.7, which states that the supervision and regulation of the first offender program resides with the county.

Fees collected from privately owned and operated DUI programs within the county are deposited into this fund. Funds are then transferred to Alcohol and Drug Services (ADS) as needed to meet the costs of ADS staff assigned to this function. These funds can only be used for the cost of monitoring PC 1000 and DUI programs.

At the end of 2001-02, this fund was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This fund does not directly spend funds or provide services. It is strictly a financing budget with actual expenditures occurring within the operating budget unit ADS.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

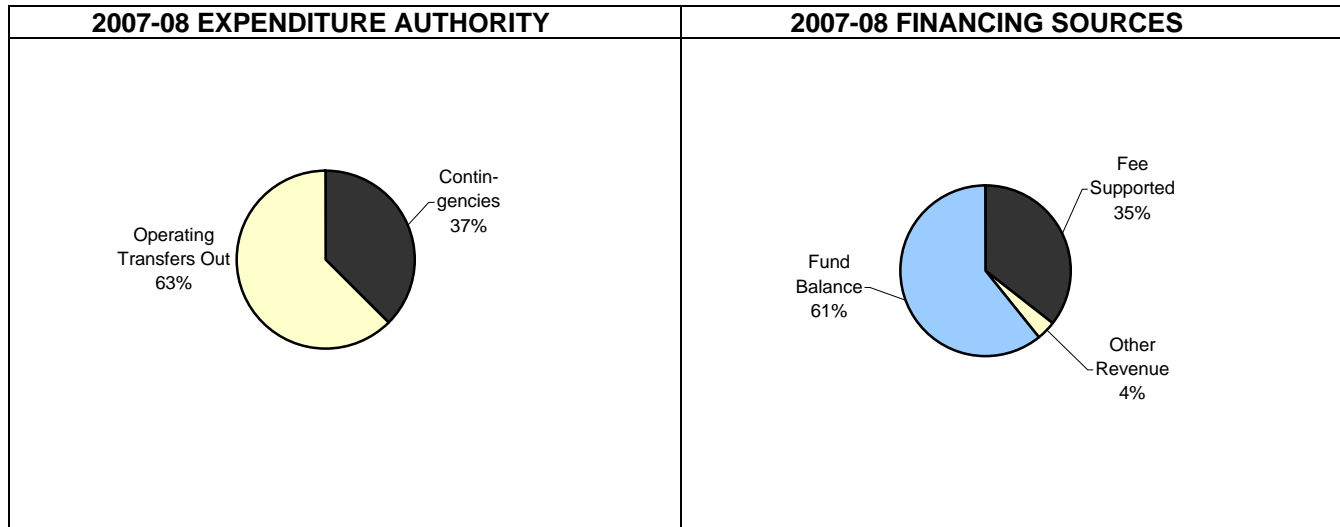
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	130,000	130,000	130,000	312,689	156,245
Departmental Revenue	105,743	114,685	137,730	90,000	121,950
Fund Balance				222,689	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriations in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.





## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Behavioral Health  
FUND: Driving Under the Influence Program

BUDGET UNIT: SDC MLH  
FUNCTION: Health & Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	172,171	115,987	(56,184)
Total Appropriation	-	-	-	-	172,171	115,987	(56,184)
Operating Transfers Out	130,000	130,000	130,000	156,245	140,518	194,407	53,889
Total Requirements	130,000	130,000	130,000	156,245	312,689	310,394	(2,295)
<b>Departmental Revenue</b>							
Use Of Money and Prop	4,487	4,171	10,319	12,635	5,000	12,000	7,000
Current Services	101,256	110,514	127,411	109,315	85,000	110,000	25,000
Total Revenue	105,743	114,685	137,730	121,950	90,000	122,000	32,000
Fund Balance					222,689	188,394	(34,295)

Contingencies of \$115,987 includes a decrease of \$56,184 based on estimated fund balance available.

Operating transfers out of \$194,407 includes transfers to the Alcohol and Drug Services budget unit to cover salaries and benefits for DUI related activities. The increase of \$53,889 is due to the increased salaries and benefits of ADS staff assigned to this function.

Departmental revenue of \$122,000 includes DUI fees paid by program providers and interest revenue. The increase of \$32,000 is due to an anticipated increase in fees collected by DUI providers.



## Block Grant Carryover Program

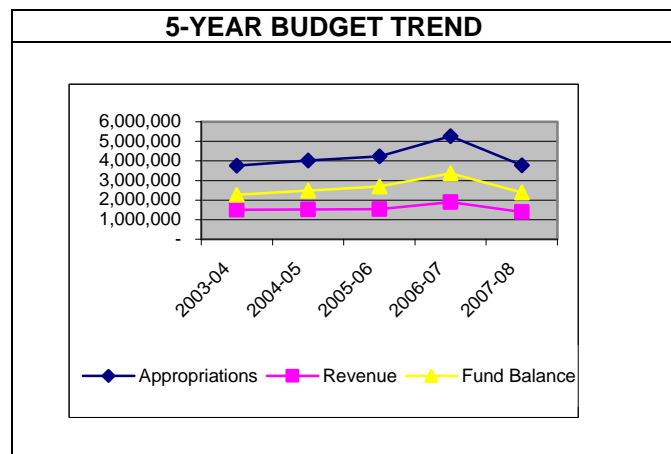
### DESCRIPTION OF MAJOR SERVICES

Alcohol and Drug Services (ADS) utilizes this Special Revenue fund to hold money received from the State Department of Alcohol and Drug Programs (ADP) under a multi-year cost reimbursement contract that allows the county to retain unused federal Substance Abuse Prevention and Treatment (SAPT) funds for use in the next fiscal year. These funds are to be spent on alcohol abuse prevention, education, and treatment in schools and the community as described in the annual update to the contract between county and the state. Funds are transferred to ADS based on the needs of the program.

At the end of 2001-02, this fund was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This fund does not directly spend funds or provide services. It is strictly a financing budget with the actual expenditures occurring within the operating budget unit of ADS.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



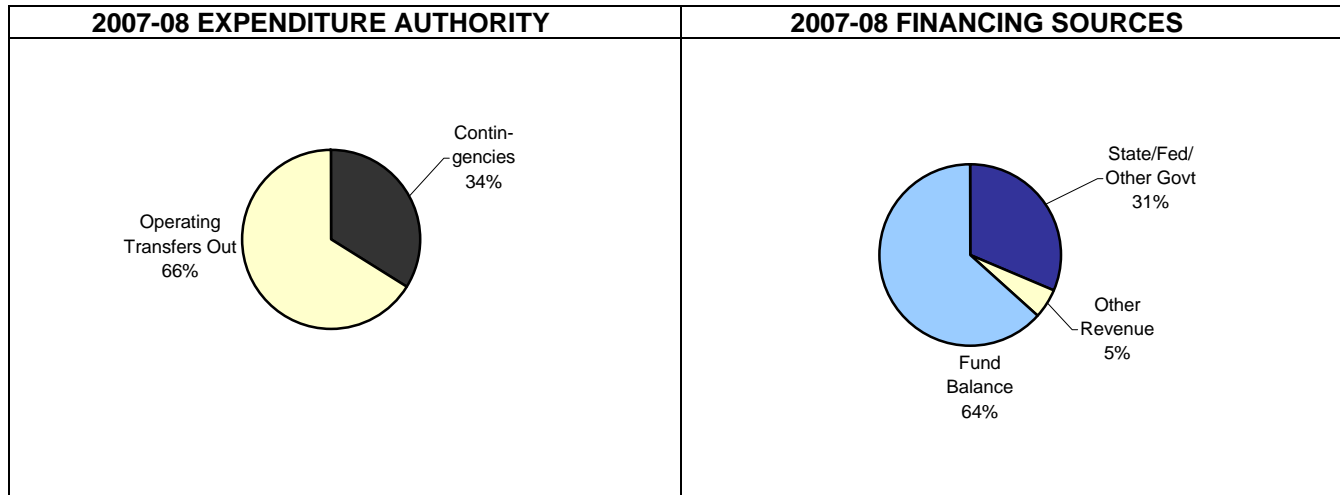
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,277,501	1,789,801	1,897,894	5,268,065	2,037,530
Departmental Revenue	999,631	1,986,801	2,580,932	1,895,401	1,055,116
Fund Balance				3,372,664	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriations in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Behavioral Health  
**FUND:** State Block Grant Carryover Program

**BUDGET UNIT:** SDH MLH  
**FUNCTION:** Health & Sanitation  
**ACTIVITY:** Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	3,230,535	1,274,810	(1,955,725)
Total Appropriation	-	-	-	-	3,230,535	1,274,810	(1,955,725)
Operating Transfers Out	2,277,501	1,789,801	1,897,894	2,037,530	2,037,530	2,500,000	462,470
Total Requirements	2,277,501	1,789,801	1,897,894	2,037,530	5,268,065	3,774,810	(1,493,255)
<b>Departmental Revenue</b>							
Use Of Money and Prop	16,948	41,134	94,027	230,000	75,000	200,000	125,000
State, Fed or Gov't Aid	982,683	1,945,667	2,486,905	825,116	1,820,401	1,184,560	(635,841)
Total Revenue	999,631	1,986,801	2,580,932	1,055,116	1,895,401	1,384,560	(510,841)
Fund Balance					3,372,664	2,390,250	(982,414)

Contingencies of \$1,274,810 include a decrease of \$1,955,725 based on estimated fund balance available.

Operating transfers out of \$2,500,000 includes transfers to the Department of Behavioral Health's Alcohol and Drug Services budget unit for salaries and benefits and services and supplies costs incurred related to the services provided for alcohol abuse prevention, education, and treatment in schools and the community.

Departmental revenue of \$1,384,560 includes \$1,184,560 of funds received from ADP and \$200,000 of interest revenue. The decrease of \$635,841 is due to an anticipated decrease in funds received from ADP.

Fund balance of \$2,390,250 decreased by \$982,414 due to one-time prior year audit settlement of \$350,000, Residential and Prevention contract increases of \$430,000, and MOU and step increases.



## Court Alcohol and Drug Program

### DESCRIPTION OF MAJOR SERVICES

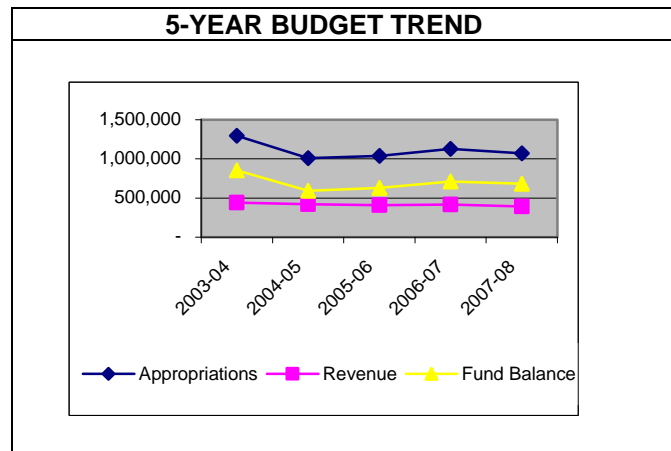
The special revenue fund consists of three revenue sources:

- The first source is referred to as Statham funds, which are fines collected from individuals convicted of Driving Under the Influence (DUI) offenses.
- The second source is fines imposed by Senate Bill 921 that went in effect on September 23, 1986. The bill requires persons convicted of an offense involving a controlled substance to pay a drug program fee in an amount not to exceed \$100 for each separate offense. The money collected is to be used for drug abuse programs in schools and the community.
- The third source is fines imposed by Senate Bill 920 that went in effect on September 24, 1996. The bill requires persons convicted of specific alcohol related offenses to pay an additional alcohol abuse education and prevention penalty assessment in an amount not to exceed \$50. The money collected is to be used exclusively for alcohol abuse and prevention services.

All revenue is collected by the Courts and Central Collections and then transferred into this fund for later distribution to Alcohol and Drug Services.

There is no staffing associated with this budget unit. At the end of 2001-02, this fund was converted from a trust fund to a special revenue fund due to an accounting change (GASB 34). This fund does not directly spend funds or provide services. It is strictly a financing budget with actual expenditures occurring within the operating budget unit of ADS. The revenue transferred to ADS funds alcohol abuse prevention, education, and treatment in schools and the community.

### BUDGET HISTORY



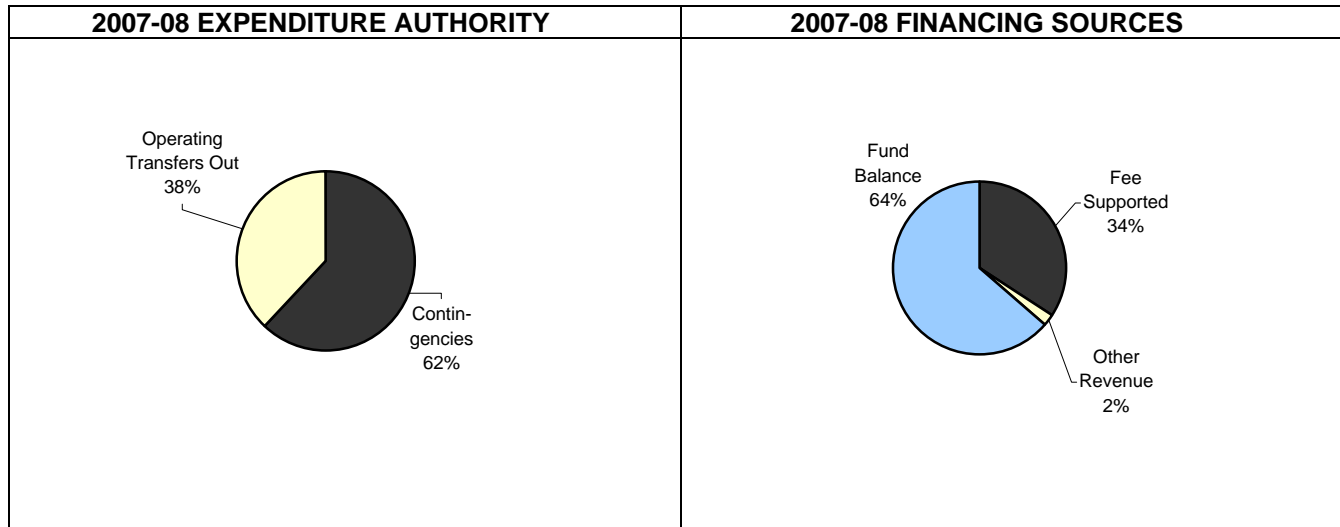
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	650,000	400,000	400,000	1,127,538	437,000
Departmental Revenue	385,125	439,099	482,647	415,000	406,305
Fund Balance				712,538	

In accordance with Section 29009 of the California Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriations in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Behavioral Health  
**FUND:** Court Alcohol & Drug Program

**BUDGET UNIT:** SDI MLH  
**FUNCTION:** Health & Sanitation  
**ACTIVITY:** Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	690,538	665,843	(24,695)
Total Appropriation	-	-	-	-	690,538	665,843	(24,695)
Operating Transfers Out	650,000	400,000	400,000	437,000	437,000	407,000	(30,000)
Total Requirements	650,000	400,000	400,000	437,000	1,127,538	1,072,843	(54,695)
<b><u>Departmental Revenue</u></b>							
Fines and Forfeitures	370,569	418,534	443,874	365,134	403,000	366,000	(37,000)
Use Of Money and Prop	13,782	16,036	31,263	41,171	12,000	25,000	13,000
Other Revenue	774	4,529	7,510	-	-	-	-
Total Revenue	385,125	439,099	482,647	406,305	415,000	391,000	(24,000)
Fund Balance					712,538	681,843	(30,695)

Contingencies of \$665,843 includes a decrease of \$24,695 based on estimated fund balance available.

Operating transfers out of \$407,000 includes transfers to Alcohol and Drug Services to cover the costs associated with this function. The decrease of \$30,000 is the result of a decrease in fines collected and available for disbursement.

Departmental revenue of \$391,000 includes \$366,000 of fines and \$25,000 of interest revenue. The decrease of \$37,000 is the result of a decrease in the fines collected by the Courts and Central Collections from misdemeanor cases.



## Proposition 36

### MISSION STATEMENT

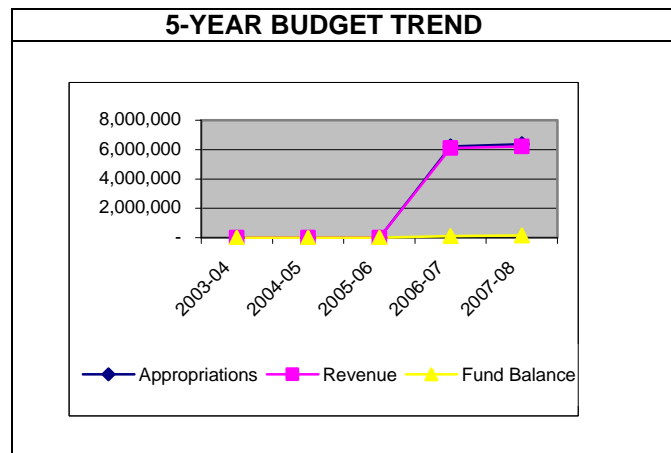
The Mission of Proposition 36 is to provide nonviolent drug offenders with proven and effective treatment strategies rather than incarceration through a collaborative effort of stakeholders.

### DESCRIPTION OF MAJOR SERVICES

In November 2000, California passed Proposition 36, the Substance Abuse and Crime Prevention Act of 2000 (Act). The Act mandated that certain persons convicted of a nonviolent drug possession offense, and any parolee, who is determined by the Parole Authority to have committed a nonviolent drug possession offense, or violated any other drug-related condition of parole, will be provided drug treatment and related services in lieu of incarceration. Effective with fiscal year 2006-07, the Department of Behavioral Health assumed the lead agency role to oversee the Act. This special revenue fund is used to account for disposition of the funds received from the state.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



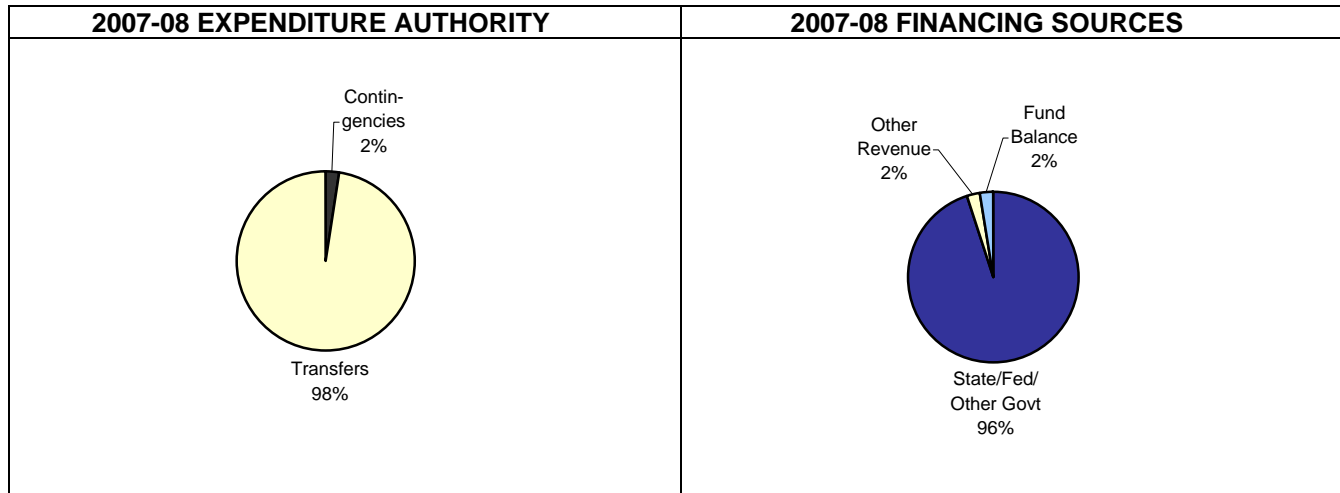
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	-	-	-	6,202,680	6,157,847
Departmental Revenue	-	-	52,661	6,099,773	6,208,013
Fund Balance				102,907	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriations in this budget unit are less than budgeted. The amount not expended is carried over to the subsequent year's budget.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Behavioral Health  
FUND: Proposition 36

BUDGET UNIT: RHD MLH  
FUNCTION: Health & Sanitation  
ACTIVITY: Hospital Care

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Transfers	-	-	-	6,157,847	6,164,567	6,208,013	43,446
Contingencies	-	-	-	-	38,113	152,833	114,720
Total Appropriation	-	-	-	6,157,847	6,202,680	6,360,846	158,166
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	-	-	52,661	158,240	50,000	158,000	108,000
State, Fed or Gov't Aid	-	-	-	6,049,773	6,049,773	6,049,773	-
Total Revenue	-	-	52,661	6,208,013	6,099,773	6,207,773	108,000
Fund Balance					102,907	153,073	50,166

Transfers of \$6,208,013 include transfers to other county departments for reimbursement of Proposition 36 related activities such as salaries and benefits and services and supplies. The increase of \$43,446 is primarily due to increases in salaries and benefits incurred by the department's clinics and Alcohol and Drug Program contract providers.

Contingencies of \$152,833 was increased by \$114,720 based on estimated fund balance available.

Departmental revenue of \$6,207,773 is primarily from State Proposition 36 funds and interest revenue. The increase of \$108,000 is due to an anticipated increase in interest revenue.



## PUBLIC HEALTH

### Margaret D. Smith

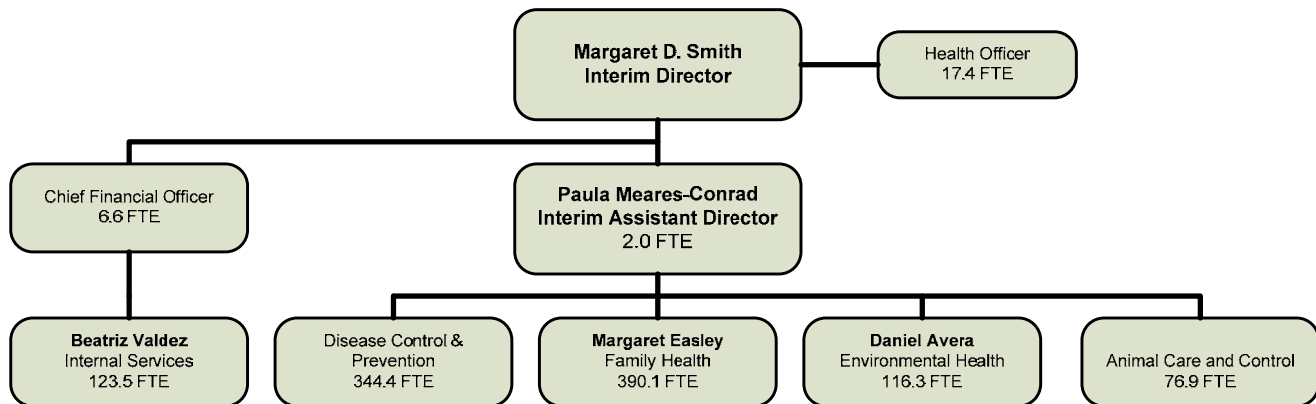
#### MISSION STATEMENT

To promote and improve the health, safety, well being, and quality of life of San Bernardino County residents and visitors.

#### STRATEGIC GOALS

1. Prevent disease and disability, and promote healthy lifestyles.
2. Promote and ensure a healthful environment.
3. Support the Public Health workforce through the effective use of technology.

#### ORGANIZATIONAL CHART



#### SUMMARY OF BUDGET UNITS

	2007-08				
	Appropriation	Revenue	Local Cost	Fund Balance	Staffing
<b>General Fund</b>					
Public Health	86,269,539	81,902,587	4,366,952		900.3
California Children's Services	19,246,486	15,262,299	3,984,187		180.9
Indigent Ambulance	472,501	-	472,501		-
<b>Total General Fund</b>	<b>105,988,526</b>	<b>97,164,886</b>	<b>8,823,640</b>		<b>1,081.2</b>
<b>Special Revenue Funds</b>					
Bio-Terrorism Preparedness	3,996,068	3,338,135		657,933	-
Tobacco Use Reduction Now	404,454	404,454		-	-
Vital Statistics State Fees	590,211	169,250		420,961	-
Vector Control Assessments	3,690,915	1,851,151		1,839,764	-
<b>Total Special Revenue Funds</b>	<b>8,681,648</b>	<b>5,762,990</b>		<b>2,918,658</b>	<b>-</b>
<b>Total - All Funds</b>	<b>114,670,174</b>	<b>102,927,876</b>	<b>8,823,640</b>	<b>2,918,658</b>	<b>1,081.2</b>

Detailed information for each budget unit follows, along with a description of the services provided, budget unit history and applicable performance measures.





## Public Health

### DESCRIPTION OF MAJOR SERVICES

The Department of Public Health provides a wide range of services to prevent diseases and improve the health, safety, and quality of life for residents and visitors of San Bernardino County. The department operates over thirty different programs, many of which are mandated by the State Health and Safety Code. Funding is provided by state and federal grants, local fees, charges for services, tax revenue, and a small amount of county general fund primarily for Animal Care and Control related expenses and to provide infrastructure for the promotion of Healthy Communities. Many programmatic changes occurred during the year including the implementation of four major programs: 1) the Periodic Assistance for Newborns with Drug and Alcohol Exposure Program, 2) the Coordinated Asthma Referral and Education Program, 3) the Continuum of Care Demonstration Project – Dental Health and 4) the Outreach, Enrollment, Retention, and Utilization program. Furthermore, on February 6, 2007, the Board of Supervisors (Board) approved an item separating the Inland Counties Emergency Medical Agency (ICEMA) from Public Health to become a separate organization within the County Administrative Office budget unit.

Several key service delivery functions are described below.

#### Communicable Disease Control and Prevention

Disease control services relate to the surveillance and prevention of illness and disease, such as tuberculosis control, HIV/AIDS, reproductive health, immunizations and education services

#### Bio-Terrorism Response

As a result of a federal initiative, the department has developed a Comprehensive Public Health Preparedness and Response (Bioterrorism) plan to improve response capabilities in the event of a bioterrorism incident or other public health emergency.

#### Maternal and Child Health

Services focus on promoting healthy outcomes in high-risk populations. Clinical programs providing diagnosis, treatment, and education focus on prenatal care and child health.

#### Healthy Communities

Because San Bernardino County suffers from the growing epidemic of obesity, Healthy Communities is an innovative countywide strategic effort that provides the infrastructure to support collaborative efforts to improve the health and well being of all residents.

#### Environmental Health Services

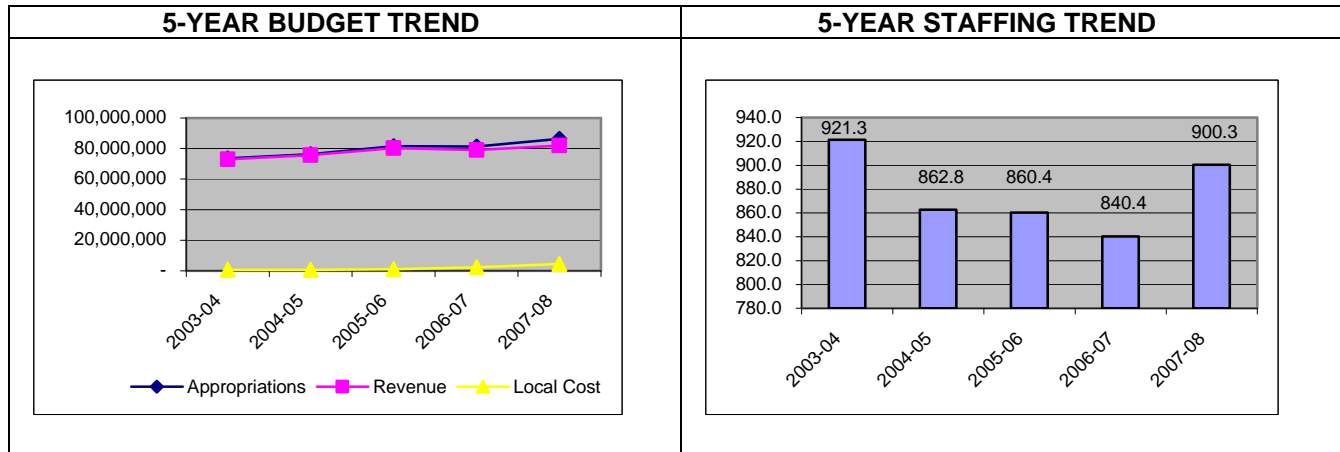
The purpose of environmental health services is to prevent, eliminate, or reduce hazards that could adversely affect health, safety, and quality of life through programs focusing directly on the prevention of threats to health in the physical environment through monitoring and inspection, licensing, and statutory regulation.

#### Animal Care and Control

Services protect the public from rabies through vaccination of the county's pet dog population, stray animal abatement (through enforcement of the leash law), wild life rabies surveillance, quarantine of biting animals, laboratory examination of animals for rabies, and public education. In addition, the program investigates animal complaints and provides safe sheltering care, return, adoption, or as a last resort, the humane euthanasia of unwanted animals.



## BUDGET HISTORY



## PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	73,652,517	75,412,592	76,432,804	85,094,872	80,581,299
Departmental Revenue	72,978,701	74,356,914	75,128,834	82,794,613	78,281,040
Local Cost	673,816	1,055,678	1,303,970	2,300,259	2,300,259
Budgeted Staffing				856.8	

Estimated appropriation is largely on target with little variance to modified budget except for salaries and benefits. Salaries and benefits are anticipated to be under budget by \$4,646,206 due to significant staff vacancies.

Services and supplies are estimated to be higher than modified budget by \$167,788. Services and supplies estimated increases are related to the implementation of the Outreach, Enrollment, Retention, and Utilization program to conduct comprehensive outreach activities targeted at families that may be eligible for Medi-Cal or Healthy Families but remain uninsured. The department was awarded \$5.3 million for a three year period. The planned expenditures for 2006-07 include a small space reconfiguration to accommodate additional staff, computer purchases, education materials, printing, and mailing services.

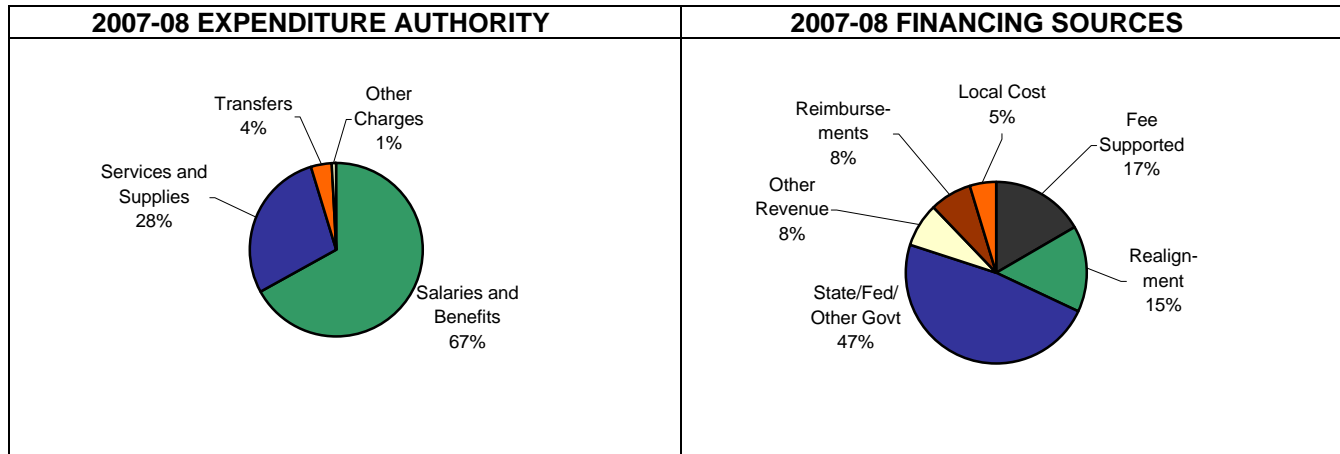
Licenses and permits of \$7,785,535 are increasing by \$794,853 primarily due to additional revenue for Environmental Health permits and animal licenses. In addition, the Animal Care and Control program implemented a pilot canvassing (door to door) program for issuance of animal licenses that has been a contributing factor for the increase in animal licensing revenue. This program will be expanded in 2007-08.

State and federal revenues of \$41,721,558 are under budget by \$3,515,925 due to vacancies. Also, operating transfers in of \$7,714,056 are under budget by \$1,731,158 due to an under expenditure of Bio-terrorism and Preparedness funds. These funds will remain in the Bio-terrorism Preparedness fund and once the state approves the new budget and plan, the department will seek Board approval to carry forward the plan.

Other revenues of \$811,041 are over budget by \$404,441 primarily as a result of a new contract with Children's Fund for the Periodic Assistance for Newborns with Drug and Alcohol Exposure program.



## ANALYSIS OF PROPOSED BUDGET



**GROUP: Administrative/Executive**  
**DEPARTMENT: Public Health**  
**FUND: General**

**BUDGET UNIT: AAA PHL**  
**FUNCTION: Health and Sanitation**  
**ACTIVITY: Health**

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	52,125,021	51,607,535	54,992,869	55,778,617	59,027,887	62,416,748	3,388,861
Services and Supplies	21,811,683	23,260,343	21,630,283	26,106,316	24,107,463	25,960,686	1,853,223
Central Computer	430,079	543,087	617,030	592,400	592,400	611,914	19,514
Other Charges	-	-	467,505	100,000	100,000	100,000	-
Equipment	138,938	328,385	334,218	302,371	280,600	465,500	184,900
Vehicles	2,199	426,972	294,806	7,398	13,000	-	(13,000)
Capitalized Software	-	-	-	500,180	-	230,000	230,000
Transfers	2,973,539	2,767,539	3,153,721	3,194,088	3,427,439	3,511,095	83,656
Total Exp Authority	77,481,459	78,933,861	81,490,432	86,581,370	87,548,789	93,295,943	5,747,154
Reimbursements	(3,828,942)	(3,784,019)	(5,458,617)	(6,000,071)	(6,271,631)	(7,026,404)	(754,773)
Total Appropriation	73,652,517	75,149,842	76,031,815	80,581,299	81,277,158	86,269,539	4,992,381
Operating Transfers Out	-	262,750	400,989	-	-	-	-
Total Requirements	73,652,517	75,412,592	76,432,804	80,581,299	81,277,158	86,269,539	4,992,381
<b>Departmental Revenue</b>							
Taxes	108,716	100,970	99,868	102,409	122,000	102,409	(19,591)
Licenses and Permits	6,076,999	6,559,107	7,122,614	7,785,535	6,990,682	7,743,192	752,510
Fines and Forfeitures	580,016	418,248	426,629	531,969	400,500	-	(400,500)
Realign-ment	13,740,368	12,973,918	11,008,999	14,079,430	14,164,292	14,164,292	-
State, Fed or Gov't Aid	41,385,319	41,432,930	42,455,418	41,721,558	43,745,964	44,854,841	1,108,877
Current Services	7,120,382	7,906,027	8,383,548	7,266,200	7,033,099	7,866,769	833,670
Other Revenue	259,769	204,450	213,871	811,041	406,600	1,278,350	871,750
Other Financing Sources	193	-	7,438	-	-	-	-
Total Revenue	69,271,762	69,595,650	69,718,385	72,298,142	72,863,137	76,009,853	3,146,716
Operating Transfers In	3,706,939	4,761,264	5,410,449	5,982,898	6,113,762	5,892,734	(221,028)
Total Financing Sources	72,978,701	74,356,914	75,128,834	78,281,040	78,976,899	81,902,587	2,925,688
Local Cost	673,816	1,055,678	1,303,970	2,300,259	2,300,259	4,366,952	2,066,693
Budgeted Staffing					840.4	900.3	59.9



Program changes for 2007-08 include the following:

- Salaries and benefits of \$62,416,748 fund 900.3 positions and are increasing by \$3,388,861 resulting primarily from MOU and retirement rate adjustments. This increase reflects the addition of 27 authorized positions, resulting in an increase of 59.9 full time equivalents (FTE) as a result of staff previously budgeted at only partial FTE's being reflected at full time in 2007-08. These increases are net of the 17.3 positions related to the transfer of the Inland Counties Emergency Medical Agency (ICEMA) from the Public Health budget unit to the County Administrative Office budget unit.

State and federal grants are a significant funding stream for the department, representing 59% of the budgeted Departmental revenue. Consequently, it becomes necessary to annually reassign staff to ensure that the activities funded are aligned with the correct classifications as stipulated in the grants. In 2007-08, the department received general fund support to cover salary and benefit increases that existing state and federal grants, for programs such as Tuberculosis Control, Immunizations and Black Infant Health, are unable to cover within their existing allocations. However, despite the increased support, the department will still need to perform some minor reassignments as a result of a shift in the actual grants received. The department has sufficient vacancies to accommodate all existing staff.

Furthermore, the department is requesting the reclassifications of three vacant positions; one Clinic Supervisor to a Quality Management Specialist, one Storekeeper II to a Storekeeper, and one Office Assistant IV to a Supervising Office Assistant. In addition, there is a reclassification of a filled position from Public Health Division Chief to Chief Financial Officer, and requests for new Chief Compliance and Contracts Officer and Chief of Animal Care and Control classifications.

- Services and supplies of \$25,960,686 are increasing by \$1,853,223. This increase is primarily related to tentative remodels of facilities, including painting and flooring of several clinics, replacement of old furniture and continuance of the computer refresh plan established in 2006-07. Additional increases are related to expenses for the Outreach, Enrollment, Retention, and Utilization (OERU) program, including mileage, motor pool, and professional services for Community Based Organizations to perform outreach activities.
- Equipment is budgeted at \$465,500 for the replacement of several photocopiers, and purchase of a new file server and a storage area network. The department is also purchasing replacement laboratory equipment, including refrigerators, incubators, a gravity sterilizer, GeneAmp system, Magna Pure Compact and a fluorescence detector that will be used during the consolidation of the department's laboratory activities with those of Arrowhead Regional Medical Center. Capitalized software is budgeted at \$230,000 to purchase the Meditech Laboratory module and the vital statistics automated system.
- Transfers of \$3,511,095 are payments to other departments for employee relations, the Employee Health and Productivity program, employment and advertising services, lease costs, facilities charges, and administrative and program support from Human Services. The \$83,656 increase results primarily from a reclassification of expenses from services and supplies to transfers out. These expenses include facilities charges and employment and advertising services. Other increases include additional program support from Human Services for the Lead Hazard Control program and the OERU program. Partially offsetting this increase is a reduction in lease costs due to a termination of a lease.
- Reimbursements of \$7,026,404 represent reimbursements from other departments such as Human Services, Children's Services, Probation, CCS, ICEMA, and Behavioral Health, for provision of nursing services, case management, home visiting and education, administrative and program support, and reimbursement of lease space costs. The \$754,773 increase is primarily due to increased reimbursement for nursing services provided to the Children's Services and Probation departments, lease space and Information Technology support provided to ICEMA, and an increase in administrative costs and program support provided to California Children's Services (CCS). This increase was partially offset by a decrease in reimbursements from the Department of Behavioral Health - Alcohol and Drug Services due to a reduction of the Brighter Futures program.
- Licenses and permits of \$7,743,192 are increasing by \$752,510 due to an increase in environmental health permits and an increase in animal licenses revenue. This increase is partially offset by the decrease



resulting from ICEMA's licensing revenue being reflected within the Health Administration budget unit for 2007-08.

- Fines and forfeitures of \$400,500 related to ICEMA, are no longer reflected within Public Health, and are included within the Health Administration budget unit for 2007-08.
- State funding of \$34,030,313 is increasing by \$1,638,503 primarily due to the implementation of the OERU program and increases in the Women, Infant, and Children funding. These increases are partially offset by the elimination of ICEMA's grants including the Hospital Preparedness grant that ICEMA will start managing in August 2007 and a reclassification of the Tobacco Use Reduction Now funding from State Grants to operating transfers in due to GASB 34.
- Federal funding of \$10,824,528 is decreasing by \$529,626 primarily as a result of reclassification of the AIDS/HIV Title II funding now being reflected in state funding. Partially offsetting this decrease was an increase in the Lead Hazard Control grant.
- Current services of \$7,866,769 are increasing by \$833,670 primarily due to the implementation of the food handler certification training program, increased lab services provided to Loma Linda University Medical Center, and a one-time increase in the Housing Opportunities for People With AIDS program. These increases were partially offset by the elimination of the ambulance performance fees received by ICEMA, a reduction in payments from the Board of Retirement for Medical review, and the elimination of the attrition funding from the City of Rancho Cucamonga related to the Animal Care and Control program.
- Other revenue of \$1,278,350 is increasing by \$871,750 primarily due the following: 1) the Coordinated Asthma Referral and Education Program, 2) a new contract with the California State Foundation to support the Screening, Assessment, Referral, and Treatment program (SART), and 3) a three year Dental Health Demonstration project. This increase is partially offset by a decrease in the school readiness contracts.
- Operating transfers in of \$5,892,734 are decreasing by \$221,028 primarily due to a reduction in one time carryover funds for Bioterrorism Preparedness activities. This decrease is partially offset by Pandemic Influenza, Cities Readiness Initiative, and the Tobacco Use Reduction Now funding being reflected as an operating transfer in instead of state funding.

The Net Local Cost increase for the department is \$2,066,693, to help fund MOU, retirement costs, and other inflationary expenses.

PERFORMANCE MEASURES			
Description of Performance Measure	2006-07 Projected	2006-07 Estimated	2007-08 Projected
Percent increase of pregnant women screened for drug use (8,000 women in 2005-06).	25%	30%	10%
Percent of children immunized by 24 months of age.	84%	83%	85%
Double the number of partnerships with cities with whom Healthy Communities is actively engaged.	NEW	4	8
Maintain number of grants received to support the Healthy Communities activities (\$503,218).	NEW	2	2
Percentage increase of restaurant food handlers receiving training and certification (28,000 handlers in 2005-06).	3%	10%	6%
Percentage decrease of animal impounds (strays) excluding the Rancho Shelter and other admissions (14,800 impounds in 2005-06).	2%	19%	2%
Increase the number of MOUs/Agreements with partners for Public Health Emergency Preparedness by 17.	1	3	20
Percent of Public Health computers that meet 2007-08 minimum hardware specifications (221 of 1,004 currently meet specifications).	NEW	80%	100%
Percent of Public Health computers refreshed (replaced) to meet 2008-09 minimum hardware specifications (354 computers to replace).	NEW	0%	25%
Held community-wide events in collaboration with partners such as First Five and Kids Fitness Challenge.	NEW	4	5
Identify and track stakeholders and partners collaborating in Healthy Communities.	NEW	300	350
Provide a resource for organizations to access best practices for involvement in Healthy Communities program.	NEW	100%	130%
Award sponsorships to cities to become Healthy Cities.	NEW	5	5
Increase number of animals receiving veterinary care from 300 in fiscal year 2005-06 to 1,200 animals receiving veterinary care in 2006-07.	300	1200	1200



POLICY ITEM REQUESTS						
Rank	Brief Description of Policy Item	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost	Proposed 2007-08 Performance Measurement
1	CIP for Animal Care and Control 3 phase CIP for improving the Devore Shelter facility.	-	5,298,956	-	5,298,956	
	<i>Enhance facilities and meet the California's legislative intent regarding euthanasia</i>					10%
2	Disease Control These positions will perform Disease Control activities and are necessary to sustain services at an appropriate level.	3.0	208,000	-	208,000	
	<i>Decrease the case to nurse (RN) ratio thus increasing the number of fully</i>					Case: RN=85
3	Immunizations Requirements These positions will assist in our goal of having all children under 24 months of age up-to-date on the minimum immunization requirements.	1.5	93,396	-	93,396	
	<i>Percentage of children immunized by 24 months of age to reach national</i>					90%
4	Infectious Disease Investigation This position will improve the timeliness of infectious disease investigations thus prevent outbreaks.	1.0	98,000	-	98,000	
	<i>Decrease the number of days between epidemiology case investigation opening</i>					30 days
5	Infant Mortality Program These positions will work in activities related to reducing the African American infant mortality rate by impacting the number of infants born premature and/or with low birth weight by reducing perinatal substance abuse and/or exposure to tobacco smoke.	7.0	210,000	-	210,000	
	<i>Expand Black Infant Health care coordination services to additional high-risk</i>					673
6	Automated Systems Maintenance This position will improve the department's automated systems maintenance operations.	1.0	91,300	-	91,300	
	<i>Analyze 80% of departmental information systems during the first year to identify</i>					80%
7	Information Technology Management This position will provide a higher level of Information Technology project management, requirements gathering, and business systems analysis.	1.0	115,460	-	115,460	
	<i>Analyze 80% of departmental information systems during the first year to identify</i>					80%
8	HIV/AIDS These positions will improve treatment compliance of those who pose the greatest risks of HIV/AIDS transmission.	2.0	108,000	-	108,000	
	<i>Decrease by 10% the number of persons with HIV/AIDS who fall out of care or</i>					121
<b>Total</b>		<b>16.5</b>	<b>6,223,112</b>	<b>-</b>	<b>6,223,112</b>	





## California Children's Services

### DESCRIPTION OF MAJOR SERVICES

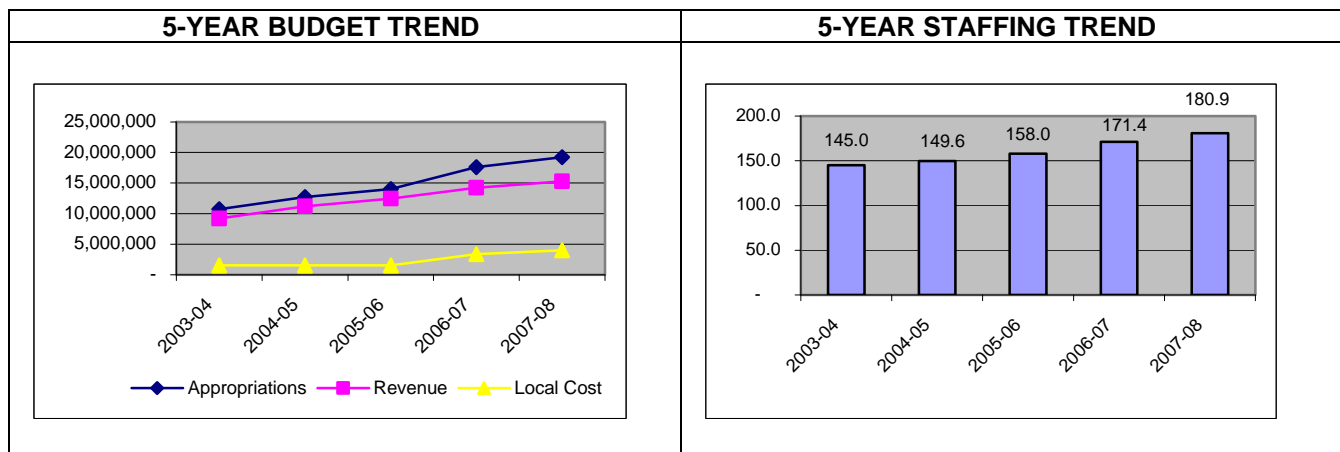
California Children's Services (CCS) is a state program that provides case management, diagnosis, and treatment services to individuals up to 21 years of age with severe qualifying medical conditions and whose families are unable to pay for all or part of their care. State law requires the county to maintain a mandated minimum funding level. In addition to realignment dollars and the county's mandated contribution, funding also comes from Medi-Cal, private insurance, and patient co-payments. Revenues are based upon individual client eligibility for specific programs such as Medi-Cal, Healthy Families, or CCS alone (people who do not qualify for other programs or cannot afford to pay their Medi-Cal co-share payments).

The revenue breakdown among federal, state, realignment, and county general fund support depends on the type of services provided under this program. This program provides two types of services:

1. Administrative Component – Case management activities which include determining program eligibility, evaluating needs for specific services, determining the appropriate providers, and authorizing/paying for medically necessary care. Administrative funding is based on staffing standards and caseload mix of CCS clients. In other words, it depends on which federal, state, or county program in which the children are enrolled.
  - Medi-Cal accounts for approximately 69%. Federal and state funds reimburse CCS for 100% of the costs.
  - Healthy Families accounts for approximately 11%. This federal and state program reimburses CCS for 82.5% of the costs. The remaining 17.5% local share is equally funded by Social Services Realignment (8.75%) and general fund support (8.75%).
  - CCS or Non-Medi-Cal caseload accounts for approximately 20%. Federal and state funds account for 50% of the costs associated with treating this clientele. The remaining 50% is split equally between Social Services Realignment (25%) and general fund support (25%).
2. Medical Therapy Component – Provides physical therapy, occupational therapy, and medical therapy conference services. Licensed physical therapists and certified occupational therapists provide evaluation, treatment, consultation services, and case management.

The state reimburses the county 50% of the costs incurred by this program. The remaining 50% is equally funded by Social Services Realignment and general fund support. Additionally, this program is allowed to bill Medi-Cal for therapy provided to Medi-Cal eligible clients. This revenue is split 75% state and 25% county. Approximately 69% of the caseload in the medical therapy component is Medi-Cal eligible.

### BUDGET HISTORY





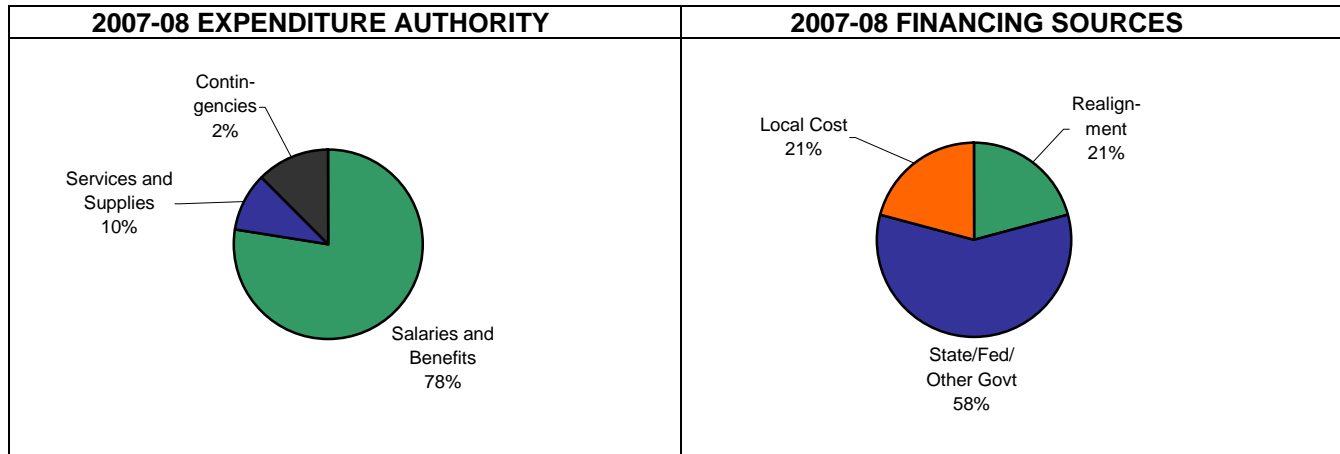
**PERFORMANCE HISTORY**

	<b>2003-04 Actual</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Modified Budget</b>	<b>2006-07 Estimate</b>
Appropriation	10,044,604	11,041,819	14,054,913	17,604,866	15,566,739
Departmental Revenue	8,567,764	9,118,390	11,023,247	14,251,621	12,063,493
Local Cost	1,476,840	1,923,429	3,031,666	3,353,245	3,503,246
Budgeted Staffing				171.4	

Estimated appropriation for 2006-07 is less than modified budget primarily due to vacant positions which have been difficult to fill. Departmental revenue is also less than modified budget due to reduced claims to the state coupled with a shift in caseload from Medi-Cal clients to CCS clients.



## ANALYSIS OF PROPOSED BUDGET



**GROUP: Administrative/Executive**  
**DEPARTMENT: Public Health**  
**FUND: General Fund**

**BUDGET UNIT: AAA CCS**  
**FUNCTION: Health and Sanitation**  
**ACTIVITY: Hospital Care**

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Salaries and Benefits	7,886,944	9,091,788	10,568,993	11,583,556	13,683,759	14,926,700	1,242,941
Services and Supplies	1,649,577	1,335,375	1,649,341	1,629,591	1,695,815	1,783,631	87,816
Central Computer	-	-	-	128,066	128,066	133,912	5,846
Transfers	508,083	614,656	1,829,575	2,225,526	2,097,226	2,402,243	305,017
Total Appropriation	10,044,604	11,041,819	14,054,913	15,566,739	17,604,866	19,246,486	1,641,620
<b>Departmental Revenue</b>							
Realignment	1,476,840	1,923,419	3,012,979	3,503,246	3,353,245	3,984,187	630,942
State, Fed or Gov't Aid	7,047,123	7,098,263	7,983,596	8,510,791	10,868,142	11,247,878	379,736
Current Services	26,136	25,979	26,433	47,844	30,034	30,034	-
Other Revenue	17,665	70,729	239	1,612	200	200	-
Total Revenue	8,567,764	9,118,390	11,023,247	12,063,493	14,251,621	15,262,299	1,010,678
Local Cost	1,476,840	1,923,429	3,031,666	3,503,246	3,353,245	3,984,187	630,942
Budgeted Staffing					171.4	180.9	9.5

Salaries and benefits of \$14,926,700 fund 180.9 positions and are increasing by \$1,242,941 resulting from \$605,827 in expected MOU and retirement rate adjustments and \$637,114 to fund the addition of 9.5 positions necessary to comply with state mandated staffing requirements. Furthermore, the department is requesting the reclassification of a vacant CCS physician to a Medical Director which will supervise one CCS physician and one Office Assistant III. This position will also provide Medical guidance to the physician, nursing staff, therapists, and program manager.

Services and supplies of \$1,783,631 include primarily payments to the state and other providers for treatment costs, medical supplies, and a planned computer and software upgrade. The slight increase of \$87,816 is related to treatment costs, COWCAP, and other minor miscellaneous expenses.

Transfers of \$2,402,243 include payments to the 1) Public Health budget unit for administrative costs, automated systems support, and nutritionist time; 2) Real Estate Services Department for lease costs; and 3) Human Resources for Employee Health and Productivity program and employment and advertising services. The increase of \$305,017 is primarily related to an increase in administrative costs paid to the Public Health budget unit.



Social Services Realignment and general fund support of \$3,984,187 each are increasing by \$630,942 to fund Administrative Expenses and cost in providing mandated treatment. State law requires the County to maintain a mandated minimum funding level for this program. This funding is provided 50% by Social Services Realignment and 50% by general fund support.

State aid of \$11,247,878 is only increasing by \$379,736. The state share is not increasing at the same level as Realignment and general fund support due to the shift in caseload from Medi-Cal clients (100% reimbursed) to CCS clients (50% reimbursed).



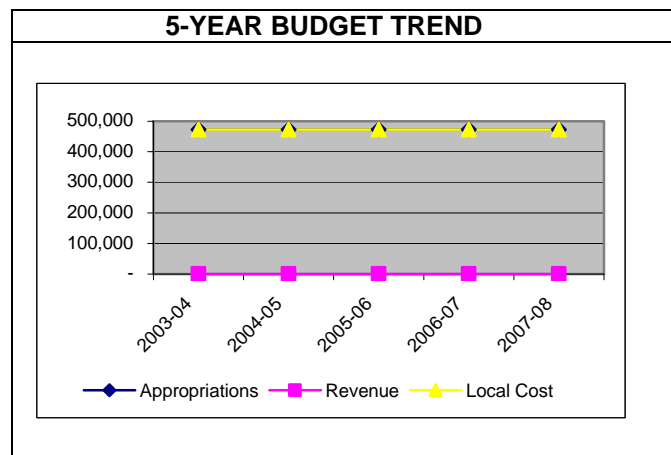
## Indigent Ambulance

### DESCRIPTION OF MAJOR SERVICES

This budget provides financing for ambulance contractors who transport indigents to the Arrowhead Regional Medical Center, or the closest hospital under certain life-threatening situations. It also funds transport of indigent tuberculosis patients to Riverside County Hospital for treatment, and up to the extent of available appropriation, pays for the Sheriff's Department transport of indigent inmates (with the remainder paid directly by the Sheriff's Department). The appropriation in this budget unit are maintained at a constant level.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

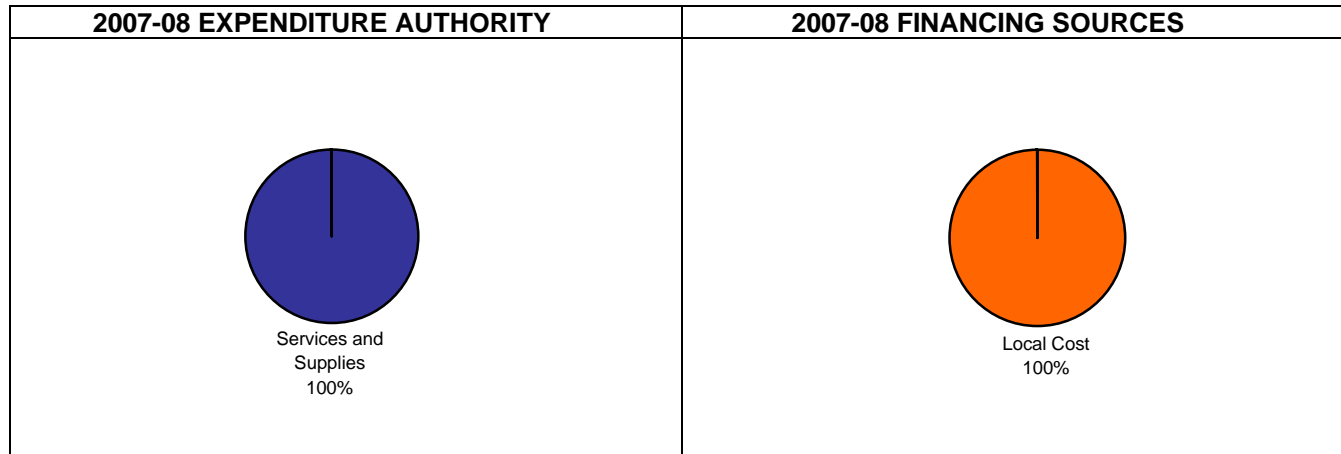


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	472,425	472,501	471,838	472,501	472,501
Departmental Revenue	-	-	-	-	-
Local Cost	472,425	472,501	471,838	472,501	472,501



## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Public Health  
**FUND:** General

**BUDGET UNIT:** AAA EMC  
**FUNCTION:** Health and Sanitation  
**ACTIVITY:** Health

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Services and Supplies	472,425	472,501	471,838	472,501	472,501	472,501	-
Total Appropriation	472,425	472,501	471,838	472,501	472,501	472,501	-
Local Cost	472,425	472,501	471,838	472,501	472,501	472,501	-

There are no changes in this budget unit.



## Bio-Terrorism Preparedness

### DESCRIPTION OF MAJOR SERVICES

State bio-terrorism funds are received and transferred out as needed to the Department of Public Health as reimbursement for actual preparedness and response related activities and expenditures. This is a financing budget only. No actual expenditures or activities are incurred or conducted via this budget unit.

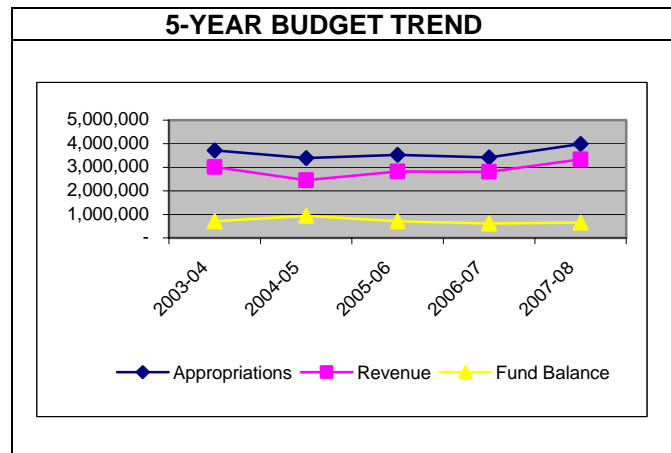
In 2006-07, the state changed its grant application process for Preparedness and Response funding. In the past, the department applied separately through the state for funding from the Centers of Disease Control (CDC) for Bio-terrorism, Pandemic Influenza, and Cities Readiness Initiative and from the Health Resources Services Administration (HRSA) for hospital preparedness.

Previously, the Bio-Terrorism Preparedness fund reflected only revenues associated with the funding from CDC for Bio-terrorism. The other three funding sources were recorded directly in the Public Health budget unit, under State grants. Now, the state requires one application with four different scopes of work. Each scope of work is funded separately and the awards must be recorded in an interest bearing account. To simplify the process, the department decided to record all four awards in this special revenue fund instead of establishing additional funds. The department will track any transactions related to each funding source separately and report them as stipulated by the grant agreement.

Furthermore, starting on August 31, 2007 the Inland Counties Emergency Medical Services (ICEMA) will be responsible for managing the hospital preparedness funds. ICEMA established a special revenue fund for 2007-08 to budget for this funding.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



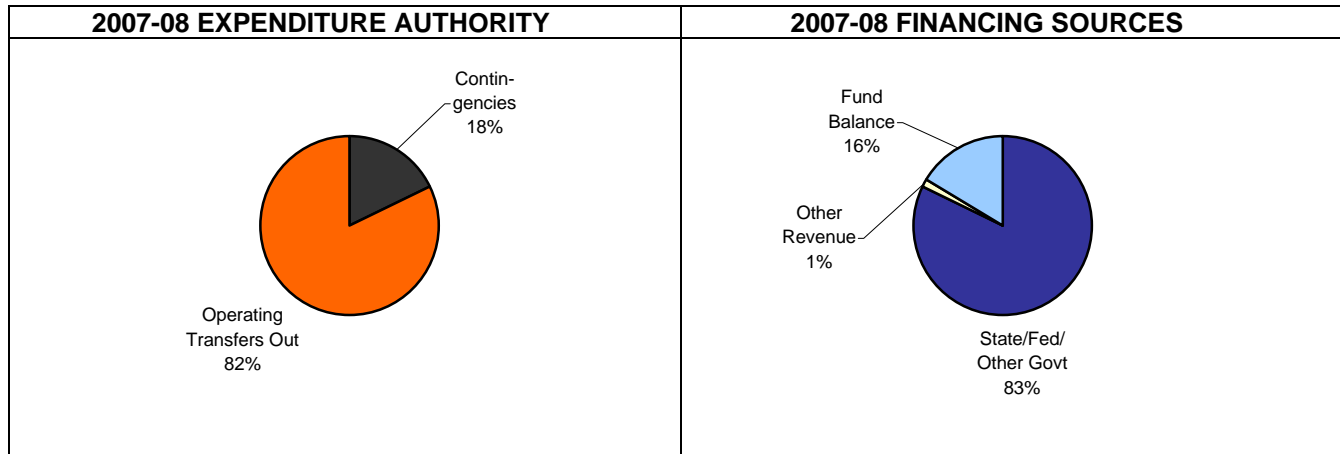
### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,049,513	2,465,631	2,864,139	3,417,809	3,548,769
Departmental Revenue	2,271,952	2,233,531	2,768,816	2,807,953	3,596,846
Fund Balance				609,856	

Estimated appropriation and departmental revenue are higher than modified budget as the department is now required to record the funding for Pandemic Influenza, Cities Readiness Initiative, and Hospital Preparedness as revenue in this fund and then transfer it to the Public Health budget unit. Upon state approval of the grant application, the department will return to the Board for appropriation and revenue increases. In addition, interest revenue is increasing as the ending fund balance is higher than anticipated.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Public Health  
FUND: Bio-Terrorism Preparedness

BUDGET UNIT: RPL PHL  
FUNCTION: Public Protection  
ACTIVITY: Other Protection

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	-	710,280	710,280
Total Appropriation	-	-	-	-	-	710,280	710,280
Operating Transfers Out	2,049,513	2,465,631	2,864,139	3,548,769	3,417,809	3,285,788	(132,021)
Total Requirements	2,049,513	2,465,631	2,864,139	3,548,769	3,417,809	3,996,068	578,259
<b>Departmental Revenue</b>							
Use Of Money and Prop	23,310	29,924	50,883	48,077	15,000	52,347	37,347
State, Fed or Gov't Aid	2,248,642	2,203,607	2,717,933	3,548,769	2,792,953	3,285,788	492,835
Total Revenue	2,271,952	2,233,531	2,768,816	3,596,846	2,807,953	3,338,135	530,182
Fund Balance					609,856	657,933	48,077

Contingencies of \$710,280 are budgeted in 2007-08 based on the estimated fund balance. In accordance with Section 29009 of the State Government code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget. State approval will be sought for the expenditure of these funds and prior year carryover funds. These funds will be utilized to purchase public protection items.

Operating transfers out of \$3,285,788, which is transferred to the Public Health budget unit, reflect a decrease of \$132,021 as carryover funds are being budgeted in contingencies.

Interest of \$52,347 is increasing by \$37,347 due to a higher fund balance.

State aid of \$3,285,788 reflect an increase of \$492,835 since starting in 2006-07 funding for Pandemic Influenza and Cities Readiness Initiative is now recorded in this special revenue fund. Furthermore, two months of funding for hospital preparedness activities are reflected in this fund. In prior years, these three funding sources were budgeted directly in the Public Health budget unit.



## **Tobacco Use Reduction Now**

### **DESCRIPTION OF MAJOR SERVICES**

This budget is being presented for the first time in the budget book due to a change in budget methodology wherein available funds not budgeted in the operating unit of Public Health will be budgeted in this fund as contingencies.

To receive this funding, the department applies for a three-year grant application. Once approved, the department receives quarterly advances and is required to maintain these funds in a separate interest bearing account. In the past, the department utilized a trust fund. However, since unspent funds can be carried forward for up to two years, the department identified the need to establish a special revenue fund in order to comply with GASB 34.

State tobacco control and education funds are received into this budget and transferred out as needed to Public Health to reimburse for actual tobacco control and education expenses. The expenses are to fund program activities which include working with local community and government groups to enforce tobacco control policies and ordinances and provide community education.

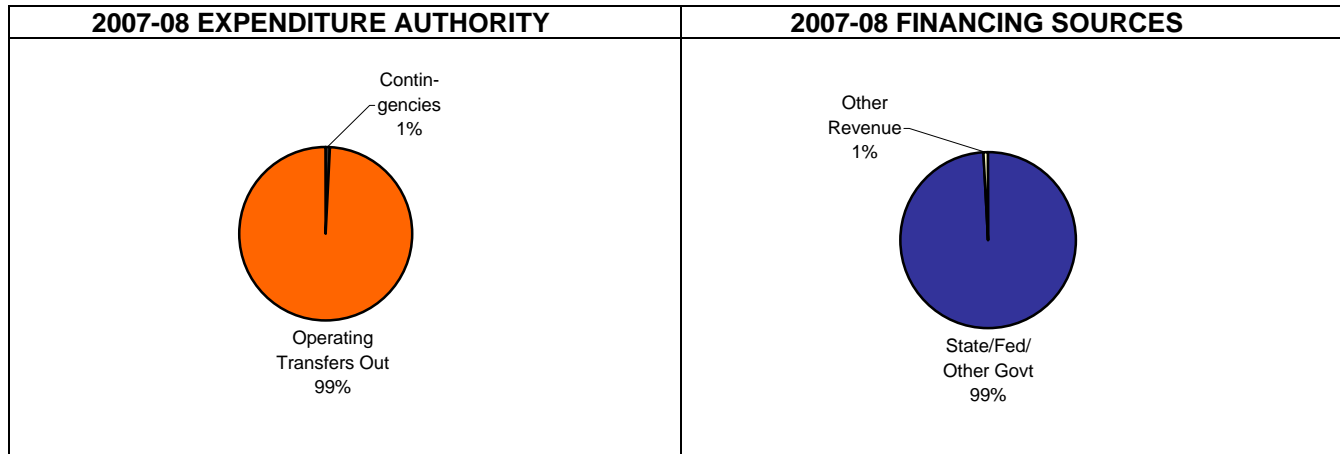
This is a newly established budget unit in 2007-08 and therefore no history is available.

There is no staffing associated with this budget unit.





## ANALYSIS OF PROPOSED BUDGET



**GROUP:** Administrative/Executive  
**DEPARTMENT:** Public Health  
**FUND:** Tobacco Use Reduction Now

**BUDGET UNIT:** RSP PHL  
**FUNCTION:** Health and Sanitation  
**ACTIVITY:** Health

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b><u>Appropriation</u></b>							
Contingencies	-	-	-	-	-	3,000	3,000
Total Appropriation	-	-	-	-	-	3,000	3,000
Operating Transfers Out	-	-	-	-	-	401,454	401,454
Total Requirements	-	-	-	-	-	404,454	404,454
<b><u>Departmental Revenue</u></b>							
Use Of Money and Prop	-	-	-	-	-	3,000	3,000
State, Fed or Gov't Aid	-	-	-	-	-	401,454	401,454
Total Revenue	-	-	-	-	-	404,454	404,454
Fund Balance					-	-	-

Contingencies of \$3,000 are based on the estimated fund balance and are related to interest revenue. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget.

Operating transfers out of \$401,454 reflect payment to the Public Health budget unit for expenditures associated with the Tobacco Use Reduction Now program.

State aid of \$401,454 represents the annual grant award received by the department to perform tobacco education activities. In addition, interest revenue of \$3,000 is anticipated based on current interest rate.



## Vital Statistics State Fees

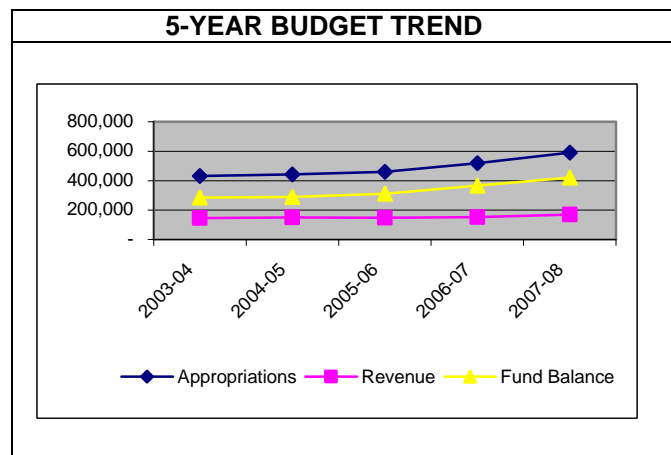
### DESCRIPTION OF MAJOR SERVICES

This fund holds fees set by the state and collected from purchasers of birth and death certificates. Funds are transferred to Public Health to fund Vital Statistics expenditures. Per Health and Safety Code 103625, all applicants for birth or death certificates shall pay an additional \$3 to be collected by the county and disbursed as follows:

- 1) 45% of the fee shall be distributed to the State Registrar, and
- 2) The remaining 55% shall be deposited into the Vital and Health Statistics fund for the purpose of defraying administrative costs of collecting and reporting with respect to those fees and for other costs as follows:
  - a) Modernization of vital record operations, including improvement, automation, and technical support of vital record systems.
  - b) Improvement in the collection and analysis of health-related birth and death certificate information, and other community health data collection and analysis, as appropriate.
  - c) Funds collected shall not be used to supplant funding in existence on January 1, 2002 that are necessary for the daily operation of vital records systems.

There is no staffing associated with this budget unit.

### BUDGET HISTORY



### PERFORMANCE HISTORY

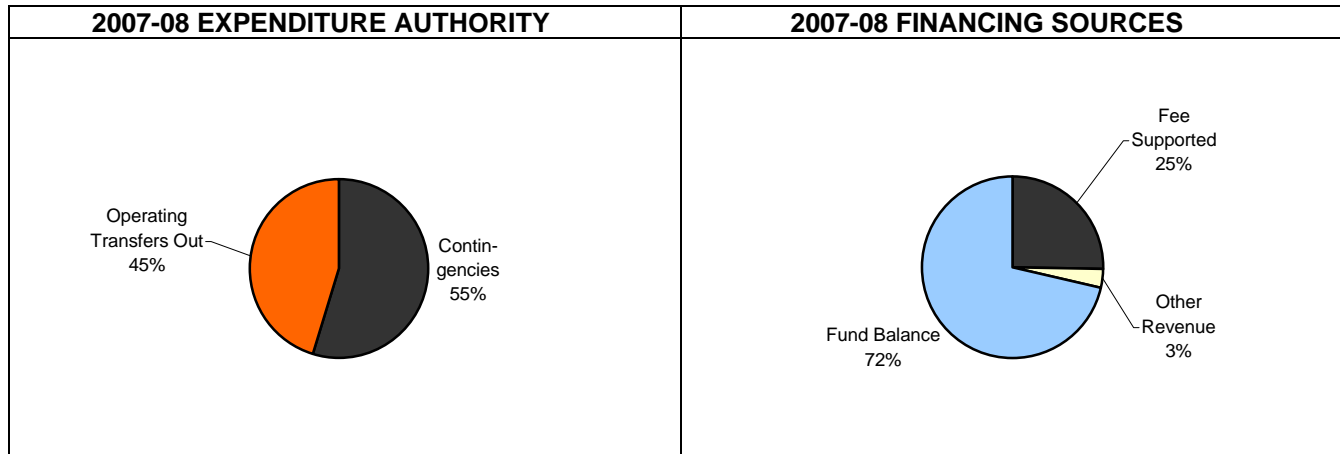
	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	143,688	127,782	111,381	518,586	110,000
Departmental Revenue	148,184	148,297	165,599	153,000	165,375
Fund Balance				365,586	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriation in this budget unit is less than modified budget. The amount not expended is carried over to the subsequent year's budget.

Additionally, operating transfers out are lower than modified budget as a result of the non-purchase of systems and software to scan and digitally store vital statistics data. It is not anticipated that those expenditures will occur in the 2006-07 year as the program is still researching the best method of implementation.



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Public Health  
FUND: Vital Statistics State Fees

BUDGET UNIT: SCI PHL  
FUNCTION: Health and Sanitation  
ACTIVITY: Health

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	351,586	323,211	(28,375)
Total Appropriation	-	-	-	-	351,586	323,211	(28,375)
Operating Transfers Out	143,688	127,782	111,381	110,000	167,000	267,000	100,000
Total Requirements	143,688	127,782	111,381	110,000	518,586	590,211	71,625
<b>Departmental Revenue</b>							
Use Of Money and Prop	6,094	6,361	11,337	15,727	8,000	19,250	11,250
Current Services	142,090	141,936	154,262	149,648	145,000	150,000	5,000
Total Revenue	148,184	148,297	165,599	165,375	153,000	169,250	16,250
Fund Balance					365,586	420,961	55,375

Contingencies of \$323,311 are decreasing by \$28,375 based on the estimated fund balance. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget.

Operating transfers out of \$267,000 are increasing by \$100,000 due to higher anticipated expenditures for automation, including the automated vital statistics system.

Current services revenue of \$150,000 are increasing by \$5,000 based on current trend. In addition, interest revenue is also reflecting an increase due to a higher anticipated fund balance.



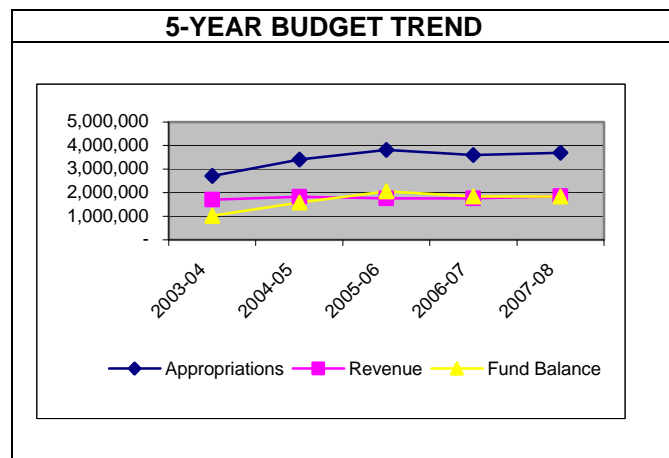
## Vector Control Assessments

### DESCRIPTION OF MAJOR SERVICES

This fund receives all tax assessments for Vector Control. Revenue collected here is received via the property tax role and is dedicated for Vector Control purposes. Transfers out from this budget fund activities in the Vector Control program, which is a component of the Public Health budget. Revenue changes in this budget reflect development and subdivision activities within the County. As the number of parcels are added or improved, the revenue increases. The amount of the parcel assessment varies depending on the level of improvement on a given parcel. Offsetting this are annexations or incorporations of cities.

There is no staffing associated with this budget unit.

### BUDGET HISTORY

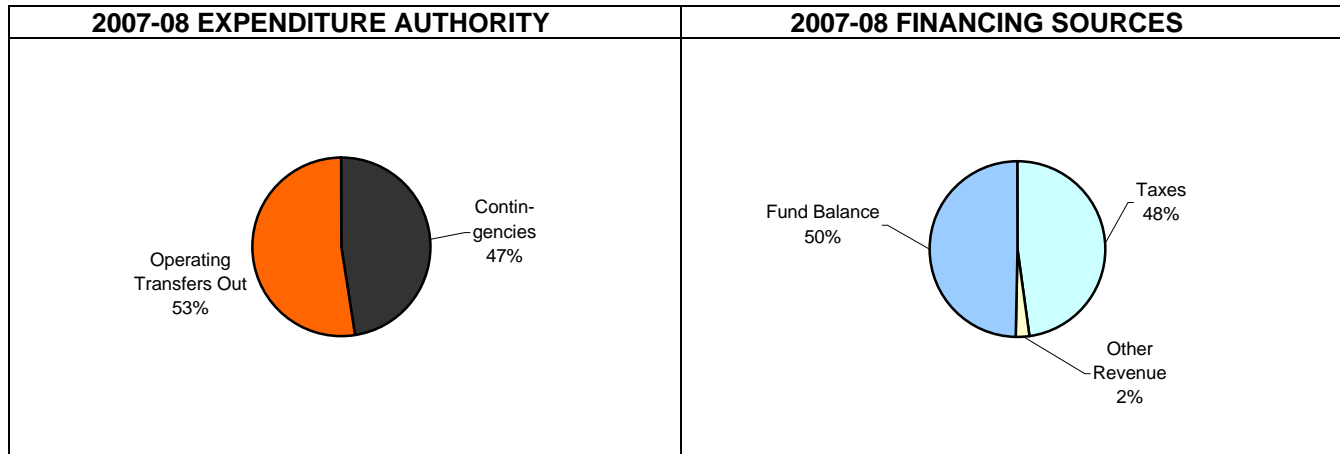


### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	1,287,000	1,461,237	1,877,750	3,599,897	1,834,204
Departmental Revenue	1,679,166	1,744,041	1,727,974	1,758,000	1,832,071
Fund Balance				1,841,897	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriation in this budget unit is less than modified budget. The amount not expended is carried over to the subsequent year's budget.

## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Public Health  
FUND: Vector Control Assessments

BUDGET UNIT: SNR PHL  
FUNCTION: Health and Sanitation  
ACTIVITY: Health

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Contingencies	-	-	-	-	1,720,475	1,752,423	31,948
Total Appropriation	-	-	-	-	1,720,475	1,752,423	31,948
Operating Transfers Out	1,287,000	1,461,237	1,877,750	1,834,204	1,879,422	1,938,492	59,070
Total Requirements	1,287,000	1,461,237	1,877,750	1,834,204	3,599,897	3,690,915	91,018
<b>Departmental Revenue</b>							
Taxes	1,647,967	1,705,525	1,659,011	1,745,695	1,713,000	1,763,151	50,151
Use Of Money and Prop	31,199	38,516	68,963	86,376	45,000	88,000	43,000
Total Revenue	1,679,166	1,744,041	1,727,974	1,832,071	1,758,000	1,851,151	93,151
Fund Balance					1,841,897	1,839,764	(2,133)

Contingencies of \$1,752,423 are increasing by \$31,948 based on the estimated fund balance. In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. The amount not expended is carried over to the subsequent year's budget.

Operating transfers out of \$1,938,492 are increasing by \$59,070 due to state funding related to the West Nile Virus no longer being allocated to counties.

Taxes of \$1,763,151 are increasing by \$50,151 to reflect current year trend. In addition, interest revenue of \$88,000 is increasing by \$43,000 due to a higher fund balance and higher interest rate.



## LOCAL AGENCY FORMATION COMMISSION

### Kathleen Rollings-McDonald

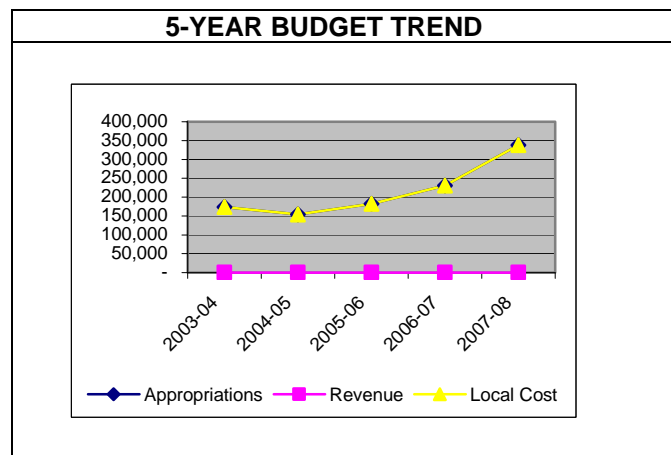
#### DESCRIPTION OF MAJOR SERVICES

The Local Agency Formation Commission (LAFCO) is an independent regulatory body charged with the responsibility for the discouragement of urban sprawl and the encouragement of orderly formation and development of local agencies within San Bernardino County. In meeting these responsibilities the Commission 1) regulates proposed boundary changes for cities and special districts; 2) determines the spheres of influence for local agencies and conducts related municipal service reviews; 3) regulates the formation and dissolution of cities and special districts; and 4) reviews contracts for the provision of services outside the boundaries of cities and special districts. LAFCO also has the authority to initiate and make studies of existing government agencies and initiate proposals for consolidations, mergers, or dissolutions of special districts based upon its findings.

Costs in this budget represent the county's legally mandated contribution to LAFCO; which is one-third of the operating cost that is not reimbursed by fees and other revenue.

There is no staffing associated with this budget unit.

#### BUDGET HISTORY

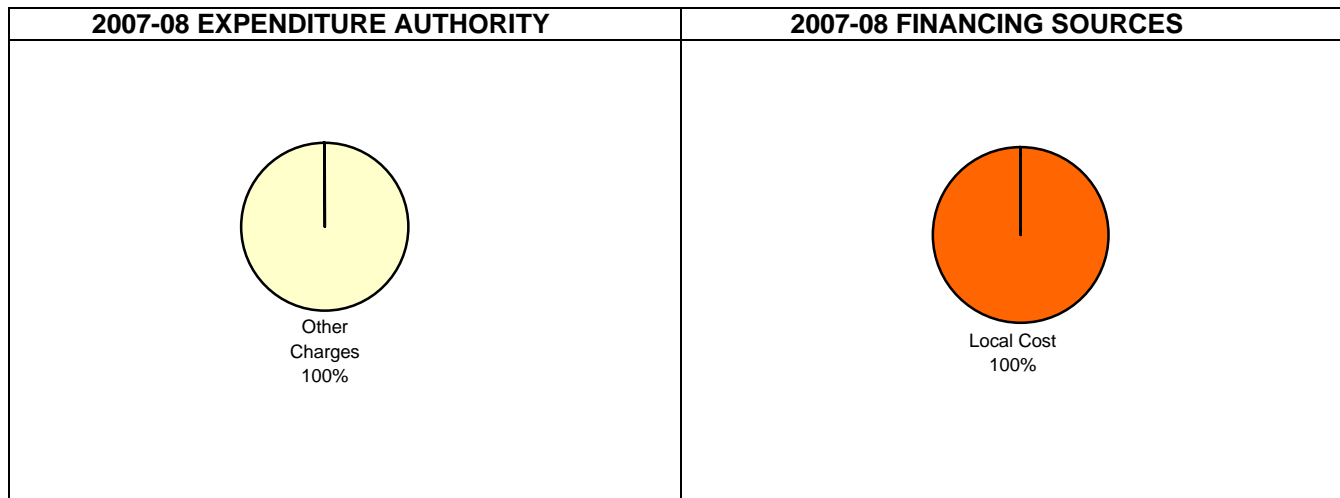


#### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	163,333	152,000	181,667	231,000	231,000
Departmental Revenue	-	-	-	-	-
Local Cost	163,333	152,000	181,667	231,000	231,000



## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: Local Agency Formation Commission  
FUND: General

BUDGET UNIT: AAA LAF  
FUNCTION: Public Protection  
ACTIVITY: Other Protection

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Other Charges	163,333	152,000	181,667	231,000	231,000	338,215	107,215
Total Appropriation	163,333	152,000	181,667	231,000	231,000	338,215	107,215
Local Cost	163,333	152,000	181,667	231,000	231,000	338,215	107,215

Other charges of \$338,215 and are increasing by \$107,215 primarily due to increases in costs associated with the addition of a secretary position deemed necessary to complete municipal service reviews and sphere of influence updates, MOU and retirement rate adjustments, fees for anticipated litigation expenses and other professional services, operational costs, stipend increases for Commission members, and costs associated with the use of technology and maintenance of a digital archiving system.



## COUNTY SCHOOLS

### Herb Fischer

#### DESCRIPTION OF MAJOR SERVICES

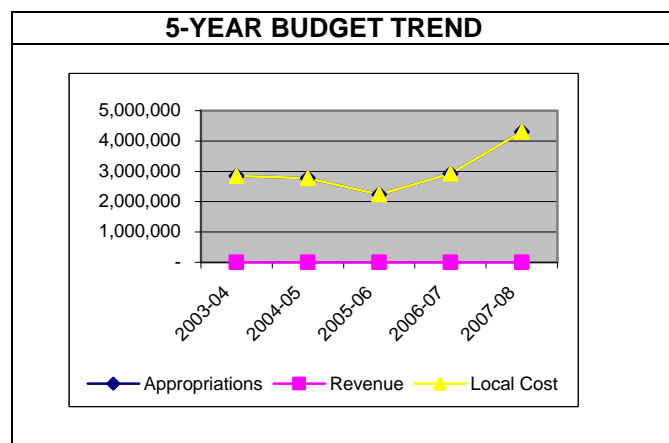
This budget unit represents the county's total legal and contractual obligations to contribute to the costs of the Superintendent of Schools and School Claims. The County Administrative Office is currently working with the County Superintendent's office on a proposal to change the status of the Superintendent from a dependent Office of Education to an independent Office of Education. Implementation of this plan will require legislation to change the way county financial support affects state revenue coming to the Superintendent's Office. Both the legislation and the proposal to change the status of the Superintendent will return to the Board of Supervisors for approval.

The Superintendent of Schools is the elected chief school administrative officer of the county and is mandated by state law to provide various services for 33 school districts and two regional occupational programs, and provides ancillary services to five community college districts within the county. Through state and other funding sources, the Superintendent provides services to over 400,000 grades K through 12 students and approximately 40,000 community college students in accordance with the Education Code. These services also include alternative education, special education, and curriculum and instruction. As a fiscally dependent County Office of Education, this budget supports administrative housing, maintenance, and other contracted support.

The School Claims Division was established to independently perform all audits and approval functions required of the Auditor/Controller-Recorder and the Superintendent of Schools, and is jointly responsible to those elected officials. These services include warrant production, control, and the examination and audit of the payrolls and other expenditures from the funds of the school districts and entities in the county.

There is no staffing associated with this budget unit.

#### BUDGET HISTORY



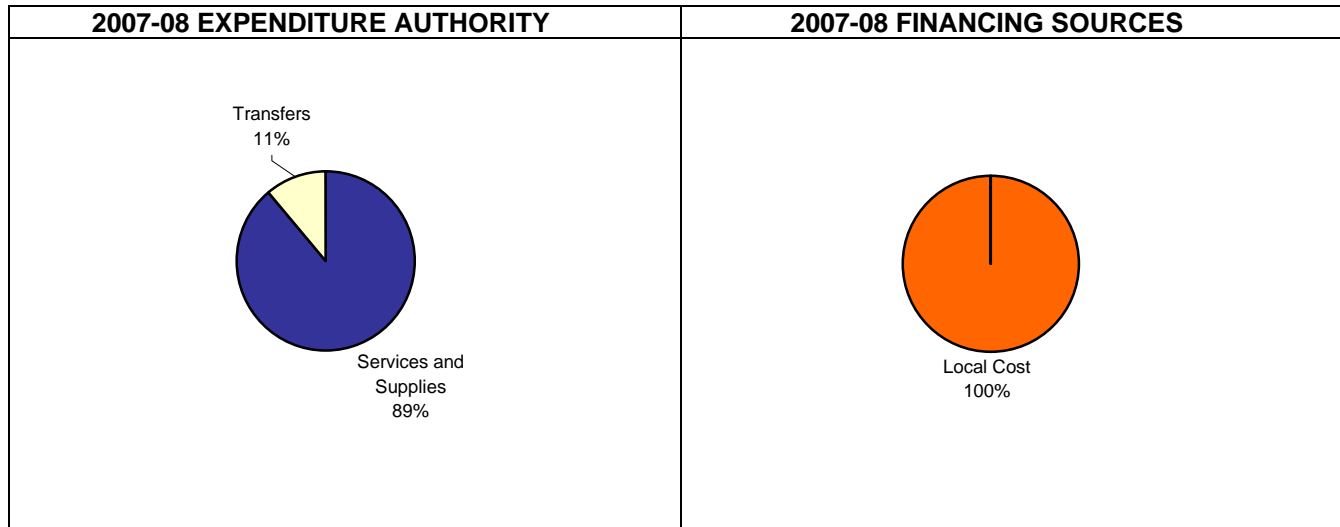
#### PERFORMANCE HISTORY

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Modified Budget	2006-07 Estimate
Appropriation	2,696,813	2,750,753	2,628,679	2,918,131	2,908,164
Departmental Revenue	-	-	-	-	-
Local Cost	2,696,813	2,750,753	2,628,679	2,918,131	2,908,164





## ANALYSIS OF PROPOSED BUDGET



GROUP: Administrative/Executive  
DEPARTMENT: County Schools  
FUND: General

BUDGET UNIT: AAA SCL  
FUNCTION: Education  
ACTIVITY: School Administration

	2003-04 Actual	2004-05 Actual	2005-06 Actual	2006-07 Estimate	2006-07 Final Budget	2007-08 Proposed Budget	Change From 2006-07 Final Budget
<b>Appropriation</b>							
Services and Supplies	2,395,990	2,446,372	2,317,205	2,520,164	2,443,131	3,833,605	1,390,474
Transfers	300,823	304,381	311,474	388,000	475,000	475,000	-
Total Appropriation	2,696,813	2,750,753	2,628,679	2,908,164	2,918,131	4,308,605	1,390,474
Local Cost	2,696,813	2,750,753	2,628,679	2,908,164	2,918,131	4,308,605	1,390,474

In 2007-08, service and supplies of \$3,833,605 include general office supplies, other professional services, rents and leases-structure, various phone services and property insurance. The increase of \$1,390,474 is based on the continued negotiations to give County Schools their independent status. The County Administrative Office expects to bring an agreement to the Board of Supervisors within the next couple of months.

The tentative terms of the agreement will give the county a fixed Maintenance of Effort payment going forward and provide the Superintendent greater access to state funding. This agreement will require a legislative change that is being organized by the Superintendent's office.

